

WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS



OCTOBER 1982



WISCONSIN DATA AND SOURCES

INDICATOR	SOURCE
L1 Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L2 Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L3 Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L4 Business Failures (Dollars)	Dun & Bradstreet, Inc.
L5 Business Failures (Number)	Dun & Bradstreet, Inc.
L6 New Business Incorporations	Wisconsin Secretary of State
L7 Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8 Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1 Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2 Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3 Natural Gas Sales	Wisconsin Public Service Commission
C4 New Car Registrations	Wis. Department of Transportation
C5 Electric Power Sales	Wisconsin Public Service Commission
C6 Total Securities Registrations	Wisconsin Commissioner of Securities
C7 Personal Income	"Business Week," McGraw Hill
C8 Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9 Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10 Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1 Birth Registrations	Wis. Department of Health and Social Services
X2 Death Registrations	Wis. Department of Health and Social Services
X3 Natural Net Gain in Population	Wis. Department of Health and Social Services
X4 Marriage Registrations	Wis. Department of Health and Social Services
X5 Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6 Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7 Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8 Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
X9 Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR SEPTEMBER

WISCONSIN'S EMPLOYMENT LEVEL INCREASED BOTH IN ACTUAL NUMBER AND IN THE SEASONALLY ADJUSTED TREND. UNEMPLOYMENT DECREASED SLIGHTLY, BUT NOT BY THE NORMAL SEASONAL AMOUNT. THUS, WHEN ADJUSTED FOR SEASONAL FACTORS, THE UNEMPLOYMENT RATE ROSE TO A RECORD 11.3 PERCENT.

LEADING INDICATORS ARE MIXED, WHICH IS SOME IMPROVEMENT OVER LAST MONTH. THE AVERAGE WORKWEEK IN MANUFACTURING IS UP, INITIAL CLAIMS FOR UNEMPLOYMENT COMPENSATION DOWN. NEW BUSINESS INCORPORATIONS ARE UP, BUT NEW BUSINESS PHONE INSTALLATIONS ARE DOWN. BUILDING PLANS EXAMINED INCREASED, BUT NOT AS MUCH AS SEASONALLY NORMAL.

WISCONSIN LABOR FORCE

Employment in Wisconsin increased by 10,400 to 2,229,900 during the August to September period. That is above-average growth for this time of the year, thus, the seasonally adjusted figures show a large employment increase trend.

Unemployment, for September, also showed some improvement, dropping from 258,100 to 252,100 in one month. The 6000 decrease, however, is sub-par for September; consequently, seasonally adjusting total unemployment results in a large jump in the unemployment trend. In turn, the seasonally adjusted unemployment rate rose to a record 11.3 percent, despite the slight decrease in the unadjusted rate. What accounts for this month's large seasonally adjusted unemployment rate, which indicates a monthly trend, is not that there are a greater number of unemployed workers, but rather, that the usually large number of labor force drop-outs, mostly unemployed, remained in the

labor force in September. The seasonally adjusted labor force increased by 34,600 in September, showing the strong labor force retention.

Contract construction employment is down slightly in September, but the decrease is less than is seasonally normal. Seasonally adjusted, the construction employment trend is up by about 500 workers. Manufacturing employment also decreased slightly, but again, that is usual in September. The seasonally adjusted trend is up by 100 workers.

LEADING INDICATORS

The average workweek in manufacturing industries lengthened in September to 39.7 hours. The increase is not large - up from 39.4 of one month ago. Seasonal adjustment, however, indicates the change is larger than normal for September.

Average weekly initial claims for unemployment decreased in September from 13,816 to 12,791 claims. The 1025 drop in the weekly average, however, was not as great as is seasonally normal. The seasonally adjusted trend is up slightly.

New business incorporations increased significantly in September. The increase was from 446 one month ago to 533 in September. The seasonally adjusted growth of 107 shows an upward trend for the month.

The net gain in business phone access lines, a measure of primary phone installations rather than just phone extension lines, decreased in September. The decrease was less than seasonally normal.

Building plans examined increased by 30 to 239 in September, but that was not quite up to the seasonal amount of growth.



WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
LEADING INDICATORS								
L1	AVG. WORK WEEK, MFG.							
	Unadjusted	HOURS	39.7P Sep	39.4	40.1	0.8	-1.0	40.1
	Seasonally Adjusted		39.7	39.5	40.1	0.5	-1.0	
L2	AVG. OVERTIME HOURS, MFG.							
	Unadjusted	HOURS	2.6P Sep	2.5	3.3	4.0	-21.2	2.7
	Seasonally Adjusted		2.2	2.3	2.8	-4.3	-21.4	
L3	AVG. WEEKLY INITIAL CLAIMS							
	Unadjusted	NUMBER	12,791 Sep	13,816	8,187	-7.4	56.2	11,275
	Seasonally Adjusted		19,678	19,057	12,596	3.3	56.2	
L4	BUSINESS FAILURES							
	Unadjusted	THOUS.	5,887 Oct	9,570	4,370	-38.5	34.7	-
	Seasonally Adjusted	DOL.	5,471	11,038	4,063	-50.4	34.7	
L5	BUSINESS FAILURES							
	Unadjusted	NUMBER	34 Oct	56	19	-39.3	78.9	-
	Seasonally Adjusted		32	104	18	-69.2	77.8	
L6	NEW BUSINESS INCORPORATIONS							
	Unadjusted	NUMBER	533 Sep	446	536	19.5	-0.6	550
	Seasonally Adjusted		567	460	570	23.3	-0.5	
L7	NET GAIN IN BUSINESS PHONE ACCESS LINES							
	Unadjusted	NUMBER	533 Sep	815	920	-34.6	-42.1	692
	Seasonally Adjusted		365	114	752	220.2	-51.5	
L8	BUILDING PLANS EXAMINED							
	Unadjusted	NUMBER	239 Sep	209	299	14.4	-20.1	276
	Seasonally Adjusted		193	198	242	-2.5	-20.2	
ROUGHLY COINCIDENT INDICATORS								
C1	HELP-WANTED INDEX (MILW.)							
	Seasonally Adjusted	INDEX	29 Sep	31	55	-6.5	-47.3	51
C2	UNEMPLOYMENT RATE, TOTAL							
	Unadjusted	PERCENT	10.2P Sep	10.4	6.3	-	-	7.8
	Seasonally Adjusted		11.3	10.6	7.2	-	-	
C3	NATURAL GAS SALES							
	Unadjusted	MIL.	123.9P Aug	114.7	127.0	8.0	-2.4	258.3
	Seasonally Adjusted	THERMS	257.1	247.2	263.4	4.0	-2.4	
C4	NEW CAR REGISTRATIONS							
	Unadjusted	NUMBER	11,530 Sep	13,823	15,717	-16.6	-26.6	13,764
	Seasonally Adjusted		11,328	12,430	15,436	-8.9	-26.6	
C5	ELECTRIC POWER SALES							
	Unadjusted	MIL. KWH	1811.9P Aug	1742.4	1839.7	4.0	-1.5	1712.7
	Seasonally Adjusted		1730.6	1691.7	1756.5	2.3	-1.5	

P = Preliminary



WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	50.2	Sep	56.0	22.3	-10.4	125.1	46.3
Seasonally Adjusted		59.8		36.1	26.6	65.7	124.8	
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,255	Jun	4,201	4,085	1.3	4.2	4,060
Seasonally Adjusted		4,255		4,231	4,085	0.6	4.2	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	370.55P	Sep	364.21	355.75	1.7	4.2	352.54
Seasonally Adjusted		371.29		371.64	356.61	-0.1	4.1	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	434.5	Jul	401.4	446.6	8.2	-2.7	414.4
Seasonally Adjusted		418.2		408.8	429.7	2.3	-2.7	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	55.3P	Sep	55.5	64.9	-0.4	-14.8	60.9
Seasonally Adjusted		49.7		49.2	58.3	1.0	-14.8	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,143	Aug	7,128	6,243	-13.8	-1.6	6,047
Seasonally Adjusted		5,828		6,750	5,926	-13.7	-1.7	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,043	Aug	3,579	2,970	-15.0	2.5	3,351
Seasonally Adjusted		3,207		3,767	3,129	-14.9	2.5	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,100	Aug	3,549	3,273	-12.7	-5.3	2,696
Seasonally Adjusted		2,598		2,995	2,744	-13.3	-5.3	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,951	Aug	5,309	4,579	-6.7	8.1	3,422
Seasonally Adjusted		3,627		3,828	3,355	-5.3	8.1	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	302.4	Sep	296.5	286.9	2.0	5.4	280.1
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	141	Sep	142	143	-0.7	-1.4	145
Seasonally Adjusted		141		145	143	-2.8	-1.4	
X7 NET GAIN IN RESIDENTIAL PHONE ACCESS LINES								
Unadjusted	NUMBER	2,433	Sep	893	4,684	172.5	-48.1	1,031
Seasonally Adjusted		-2,178		-408	73	-433.8	-3083.6	
X8 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	6,637	Sep	7,618	11,027	-12.9	-39.8	7,686
Seasonally Adjusted		5,563		5,137	9,241	8.3	-39.8	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	505.3P	Sep	505.7	567.6	-0.1	-11.0	543.8
Seasonally Adjusted		494.9		494.8	556.1	0.0	-11.0	

P = Preliminary

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Unadjusted</i>					
CIVILIAN LABOR FORCE	2482.0	2477.6	2389.0	0.2	3.9
Employment (Inc. Labor Disputes)	2229.9	2219.5	2239.6	0.5	-0.4
Unemployment	252.1	258.1	149.4	-2.3	68.7
Unemployment Rate	10.2	10.4	6.3	-	-
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	2440.8	2406.2	2360.3	1.4	3.4
Employment (Inc. Labor Disputes)	2166.2	2152.3	2190.7	0.6	-1.1
Unemployment	274.6	253.9	169.6	8.2	61.9
Unemployment Rate	11.3	10.6	7.2	-	-

WISCONSIN EMPLOYMENT ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1883.4	1873.0	1957.9	0.6	-3.8
<i>Unadjusted</i>					
Manufacturing	504.9	505.4	566.3	-0.1	-10.8
Mining	2.1	2.1	2.3	0.0	-8.7
Contract Construction	55.3	55.5	64.9	-0.4	-14.8
Transportation and Public Utilities	88.1	84.4	92.3	4.4	-4.6
Elec., Gas and Sanitary Services	17.2	17.5	16.8	-1.7	2.4
Wholesale Trade	100.7	102.3	99.3	-1.6	1.4
Retail Trade	333.8	333.3	340.5	0.2	-2.0
General Merchandise	45.3	44.5	45.9	1.8	-1.3
Finance, Insurance and Real Estate	97.7	98.5	96.6	-0.8	1.1
Banking	26.7	26.8	26.8	-0.4	-0.4
Insurance	31.3	31.6	31.3	-0.9	0.0
Service and Miscellaneous	388.5	391.3	382.0	-0.7	1.7
Hospitals	74.1	75.0	75.1	-1.2	-1.3
Private Education	24.1	22.6	23.8	6.6	1.3
Government	312.4	300.3	313.7	4.0	-0.4
State Government	77.3	73.0	80.7	5.9	-4.2
Local Government	207.1	199.6	205.2	3.8	0.9

UNITED STATES LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	110,980	110,664	108,494	0.3	2.3
Employment	99,720	99,839	100,258	-0.1	-0.5
Unemployment	11,260	10,805	8,236	4.2	36.7
Unemployment Rate	10.1	9.8	7.6	-	-

MANUFACTURING EMPLOYMENT (Unadjusted) SEPTEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	504.9	505.4	566.3
All Manufacturing (Excluding Canning)	479.8	480.2	541.5
Durable Goods	302.8	301.4	358.4
Lumber and Wood Prod., (Except Furniture)	19.5	19.3	19.9
Sawmills and Planning Mills	2.5	2.5	2.7
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.0	9.0	9.5
Furniture and Fixtures	8.5	8.6	9.4
Household Furniture	3.7	3.7	4.1
Stone, Clay and Glass Products	7.6	7.7	8.4
Concrete, Gypsum and Plaster Products	3.5	3.5	4.0
Primary Metal Industries	18.0	19.4	26.0
Iron and Steel Foundries	10.1	11.0	15.4
Fabricated Metal Products	48.3	48.8	58.1
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.5	5.3	5.7
Fabricated Structural Metal Products	11.2	11.3	13.9
Metal Stampings	12.5	12.8	16.6
Machinery (Except Electrical)	99.6	100.2	121.1
Engines and Turbines	20.8	20.5	23.0
Farm Machinery and Equipment	14.7	13.9	17.0
Const., Min. & Material Handling Mach. & Equip.	12.8	13.5	18.8
Metalworking Machinery and Equipment	10.6	10.4	12.8
Special Industry Machinery (Except Metalworking)	10.4	10.5	12.2
General Industrial Machinery and Equipment	13.0	14.0	17.8
Service Industry Machines	7.7	7.8	8.3
Electrical Machinery, Equipment and Supplies	49.1	49.2	56.5
Electrical Industrial Apparatus	18.1	18.1	22.2
Household Appliances	6.2	6.5	7.2
Transportation Equipment	31.7	27.3	35.5
Motor Vehicles and Equipment	26.0	21.6	26.9
Instruments and Related Products	10.6	10.7	12.4
Miscellaneous Manufacturing	9.9	10.2	11.0
Nondurable Goods	202.1	204.0	208.0
Food and Kindred Products	78.0	78.9	78.3
Meat Products	13.3	13.5	13.4
Dairy Products	17.2	17.5	16.9
Canning and Preserving	25.1	25.2	24.8
Bakery Products	4.6	4.7	4.6
Beverage Industries	11.0	11.2	11.6
Textile Mill Products	4.5	4.6	4.3
Knitting Mills	3.7	3.8	3.4
Apparel and Other Finished Products	5.9	5.8	6.8
Paper and Allied Products	46.7	47.4	49.0
Pulp and Paper Mills	29.6	30.3	30.8
Converted Paper and Paperboard Products	8.9	9.0	9.5
Paperboard Containers and Boxes	7.0	6.9	7.4
Printing, Publishing and Allied Industries	31.8	32.0	32.2
Newspapers	10.4	10.6	10.7
Commercial Printing	12.8	13.0	12.9
Chemicals and Allied Products	9.7	9.8	10.1
Rubber and Misc. Plastics Products	16.7	16.5	17.4
Miscellaneous Plastics Products	12.8	12.6	13.2
Leather and Leather Products	8.6	8.7	9.5
Leather Tanning and Finishing	2.4	2.4	2.8
Footwear (Except Rubber)	4.5	4.6	4.7
Other Nondurable Goods	0.3	0.3	0.4

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) SEPTEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	\$371	\$364	\$356	39.7	39.4	40.1
All Manufacturing (Excl. Canning)	382	375	364	39.7	39.5	40.0
Durable Goods	382	377	364	39.2	39.0	39.5
Lumber/Wood Prod. (Exc. Furn.)	277	274	254	39.7	39.0	38.6
Furniture and Fixtures	287	279	266	40.7	40.2	39.6
Stones, Clay and Glass Products	378	373	345	41.8	41.5	41.9
Primary Metal Industries	352	356	347	37.7	38.7	38.2
Iron and Steel Foundries	361	357	343	38.7	38.8	38.1
Fabricated Metal Products	376	372	351	39.3	38.9	39.0
Fab. Structural Metal Prod.	376	377	344	39.9	40.0	39.9
Metal Stampings	352	354	347	37.8	37.4	37.2
Machinery (Except Electrical)	431	419	409	39.2	38.7	40.2
Engines and Turbines	477	469	437	39.2	39.3	40.0
Farm Machinery and Equip.	485	420	441	40.2	36.9	40.3
Const. and Related Mach.	426	429	419	37.9	37.5	39.6
Metalworking Mach. and Equip.	414	418	401	39.0	39.0	40.4
Spec. Ind. Mach. (Exc. Metal)	422	421	410	41.0	41.0	42.1
Gen. Industrial Mach. and Equip.	434	426	425	39.0	38.8	39.7
Electrical Mach., Equip. and Supp.	350	355	333	38.6	39.1	39.8
Electrical Industrial Apparatus	366	377	374	37.5	38.8	41.3
Transportation Equipment	480	496	458	39.8	40.3	39.4
Instruments and Related Prod.	293	293	291	36.5	37.2	39.0
Nondurable Goods	354	346	342	40.5	40.0	41.0
Food and Kindred Products	323	314	323	39.9	39.2	41.1
Meat Products	419	393	423	40.3	38.9	40.3
Dairy Products	359	341	341	40.6	40.1	41.0
Textile Mill Products	257	243	241	39.9	38.4	37.2
Apparel and Other Fin. Prod.	205	205	191	38.2	37.1	37.0
Paper and Allied Products	453	436	436	44.6	44.0	44.8
Pulp and Paper Mills	489	466	474	45.8	45.0	46.2
Printing, Pub. and Allied Prod.	406	410	380	38.3	38.7	39.2
Chemicals and Allied Products	402	389	379	40.2	39.4	40.3
Rubber and Misc. Plastics Prod.	302	294	270	39.1	38.7	38.0
Leather and Leather Products.	238	240	230	36.9	37.6	38.3

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) SEPTEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	\$9.33	\$9.23	\$8.88	\$9.10	\$9.00	\$8.57
All Manufacturing (Excl. Canning)	9.61	9.50	9.10	9.36	9.25	8.76
Durable Goods	9.75	9.66	9.20	9.59	9.48	8.94
Lumber/Wood Prod. (Exc. Furn.)	6.99	7.02	6.58	6.84	6.87	6.44
Furniture and Fixtures	7.06	6.93	6.71	-	-	-
Stone, Clay and Glass Products	9.04	9.00	8.24	8.92	8.83	8.01
Primary Metal Industries	9.32	9.19	9.07	9.21	9.01	8.79
Iron and Steel Foundries	9.32	9.20	9.00	9.19	8.98	8.72
Fabricated Metal Products	9.56	9.55	9.00	9.23	9.27	8.62
Fab. Structural Metal Prod.	9.43	9.44	8.62	9.23	9.26	8.31
Metal Stampings	9.33	9.46	9.32	9.24	9.39	9.15
Machinery (Except Electrical)	11.01	10.85	10.18	10.88	10.74	9.95
Engines and Turbines	12.16	11.93	10.93	12.06	11.83	10.73
Farm Machinery and Equip.	12.06	11.37	10.94	12.04	11.20	10.75
Const. and Related Mach.	11.23	11.45	10.57	11.14	11.31	10.41
Metalworking Mach. and Equip.	10.60	10.70	9.91	-	-	9.57
Spec. Ind. Mach. (Exc. Metal)	10.28	10.27	9.73	9.85	9.99	9.32
Gen. Industrial Mach. and Equip.	11.15	10.98	10.71	10.77	10.90	10.37
Electrical Mach., Equip. and Supp.	9.07	9.08	8.35	8.93	9.03	8.14
Electrical Industrial Apparatus	9.75	9.73	9.05	9.62	9.63	8.72
Transportation Equipment	12.06	12.31	11.63	11.82	11.75	11.25
Instruments and Related Prod.	8.01	7.86	7.46	8.03	7.82	7.35
Nondurable Goods	8.74	8.65	8.34	8.38	8.31	7.90
Food and Kindred Products	8.08	8.00	7.85	7.72	7.69	7.49
Meat Products	10.38	10.11	10.50	9.86	9.71	10.06
Dairy Products	8.83	8.50	8.33	8.39	8.18	7.91
Textile Mill Products	6.44	6.32	6.47	6.22	6.16	6.21
Apparel and Other Fin. Prod.	5.38	5.53	5.16	5.28	5.46	5.04
Paper and Allied Products	10.15	9.93	9.74	9.65	9.47	9.04
Pulp and Paper Mills	10.69	10.36	10.28	10.14	9.86	9.48
Printing, Pub. and Allied Prod.	10.61	10.58	9.69	-	-	-
Chemicals and Allied Products	10.00	9.87	9.40	9.81	9.76	9.22
Rubber and Misc. Plastics Prod.	7.72	7.60	7.11	7.50	7.43	6.91
Leather and Leather Products.	6.44	6.38	6.00	6.36	6.32	5.86

SUMMARY OF RECENT WISCONSIN DATA

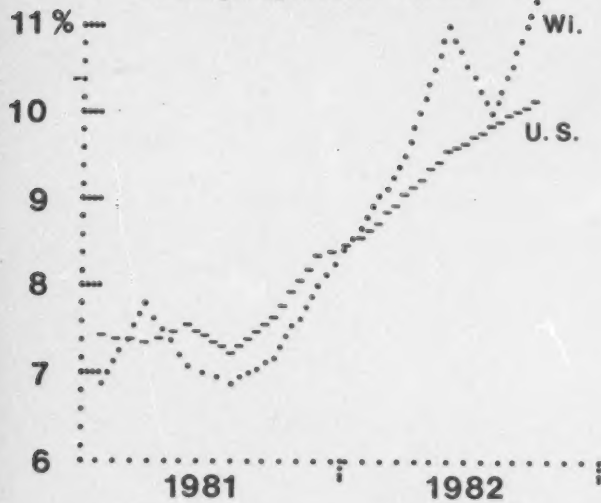
EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) SEPTEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	\$333	\$332	\$322	38.8	39.0	39.5	8.59	8.51	8.16	-	-
Wisconsin	371	364	356	39.7	39.4	40.1	9.33	9.23	8.88	9.10	9.00
<i>Selected Areas</i>											
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	364	360	361	41.2	40.5	42.0	8.83	8.89	8.59	8.54	8.59
Beloit (City)	390	387	348	41.4	41.9	41.3	9.44	9.25	8.41	9.07	8.97
Eau Claire (Eau Claire-Chippewa)	364	357	355	40.2	40.0	40.8	9.06	8.94	8.69	8.70	8.68
Fond du Lac (County)	306	316	297	38.7	39.9	38.8	7.91	7.93	7.65	7.68	7.73
Green Bay (Brown County)	420	398	381	43.5	42.5	42.6	9.65	9.35	8.95	9.08	8.83
Janesville (City)	434	406	409	37.8	37.3	37.4	11.45	10.88	10.95	11.41	10.47
Janesville-Beloit (Rock County)	383	354	363	38.7	39.1	39.1	9.89	9.05	9.28	9.76	8.69
Kenosha (County)	466	492	426	40.7	41.8	39.6	11.45	11.79	10.75	11.12	11.04
La Crosse (County)	332	331	315	39.0	38.2	40.2	8.50	8.66	7.84	8.25	8.41
Madison (Dane County)	353	347	346	38.9	38.9	40.0	9.05	8.92	8.63	8.69	8.53
Manitowoc (County)	279	276	285	36.2	36.1	38.9	7.70	7.65	7.32	7.58	7.55
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	414	414	390	39.1	39.3	39.3	10.58	10.53	9.91	10.30	10.26
Racine (County)	399	363	380	39.4	37.5	39.6	10.14	9.67	9.59	9.91	9.47
Sheboygan (County)	358	350	322	39.9	39.5	38.0	8.98	8.86	8.47	8.79	8.72
Wausau (Marathon County)	399	377	386	43.2	41.4	44.1	9.25	9.10	8.76	8.70	8.69

EMPLOYMENT, MFG. (Unadjusted) SEPTEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	18,798.0	18,724.0	20,499.0	0.4	-8.3
Wisconsin	504.9	505.4	566.3	-0.1	-10.8
<i>Selected Areas</i>					
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	43.8	44.2	48.2	-0.9	-9.1
Beloit (City)	6.4	6.5	7.5	-1.5	-14.7
Eau Claire (Eau Claire-Chippewa)	8.6	8.7	9.0	-1.1	-4.4
Fond du Lac (County)	10.9	11.0	12.5	-0.9	-12.8
Green Bay (Brown County)	22.0	22.5	23.0	-2.2	-4.3
Janesville (City)	8.8	5.7	10.2	54.4	-13.7
Janesville-Beloit (Rock County)	17.5	14.5	19.9	20.7	-12.1
Kenosha (County)	17.6	16.6	17.2	6.0	2.3
La Crosse (County)	10.0	10.2	10.6	-2.0	-5.7
Madison (Dane County)	19.8	19.9	20.9	-0.5	-5.3
Manitowoc (County)	11.4	11.6	15.6	-1.7	-26.9
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	167.1	170.0	198.6	-1.7	-15.9
Racine (County)	23.1	22.3	27.6	3.6	-16.3
Sheboygan (County)	18.0	18.6	18.7	-3.2	-3.7
Wausau (Marathon County)	10.7	10.9	11.7	-1.8	-8.5

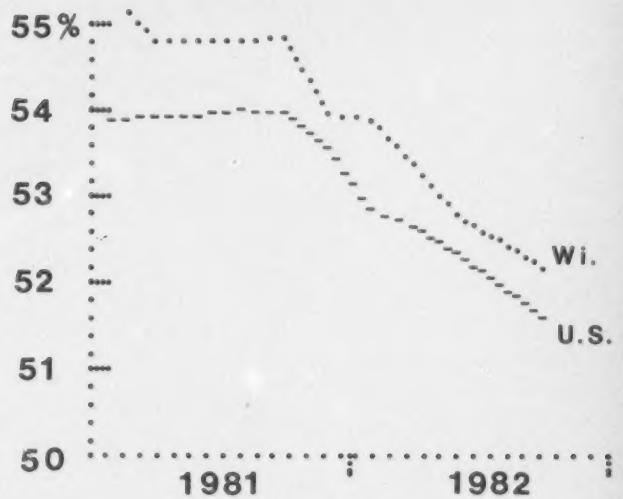
NATIONAL & STATE COMPARATIVES

IN GRAPHIC FORM

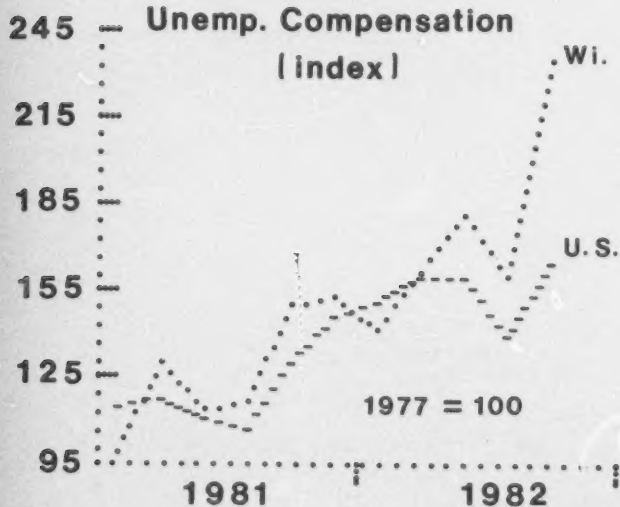
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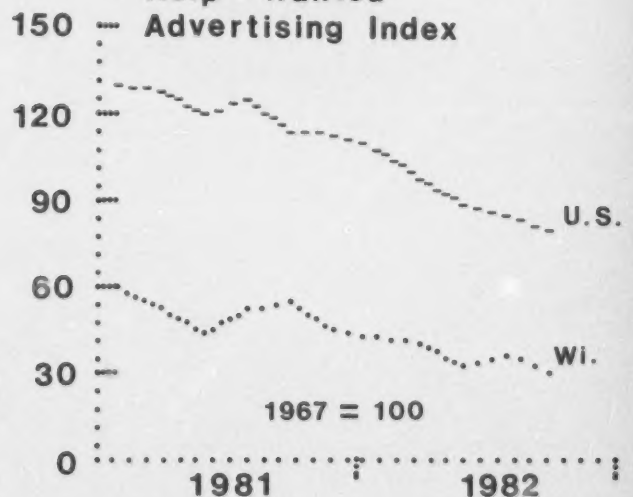
Employment Rate



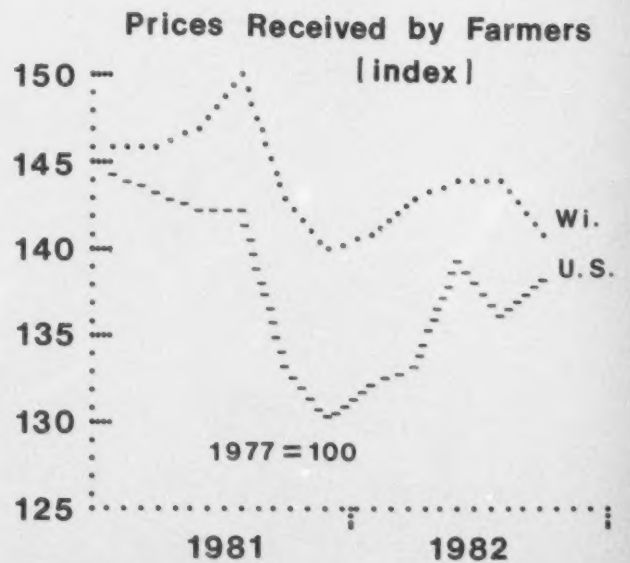
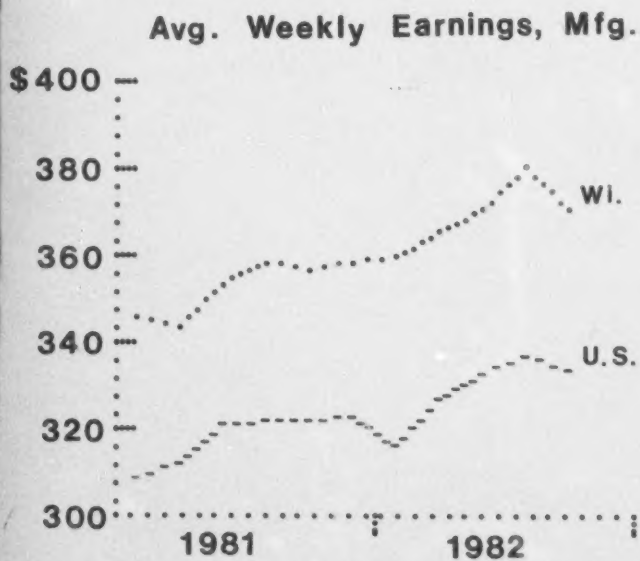
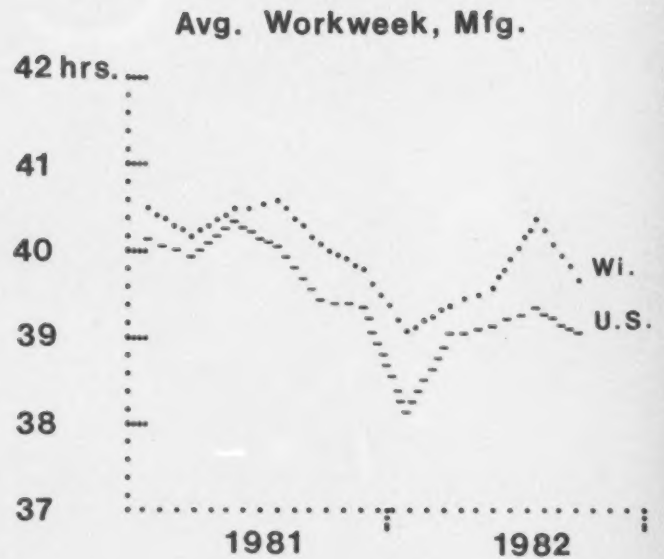
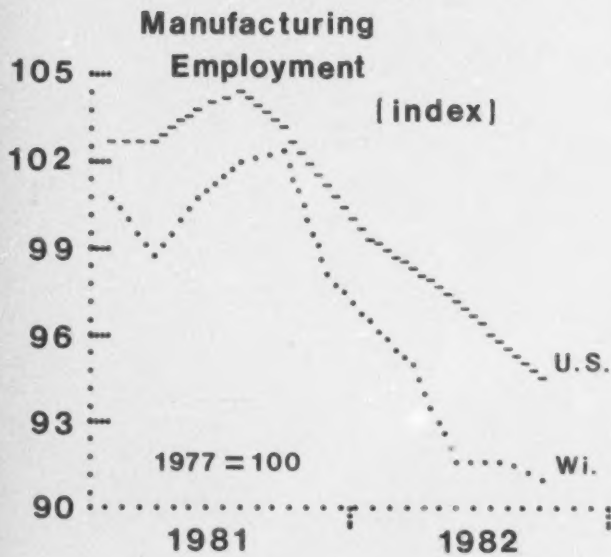
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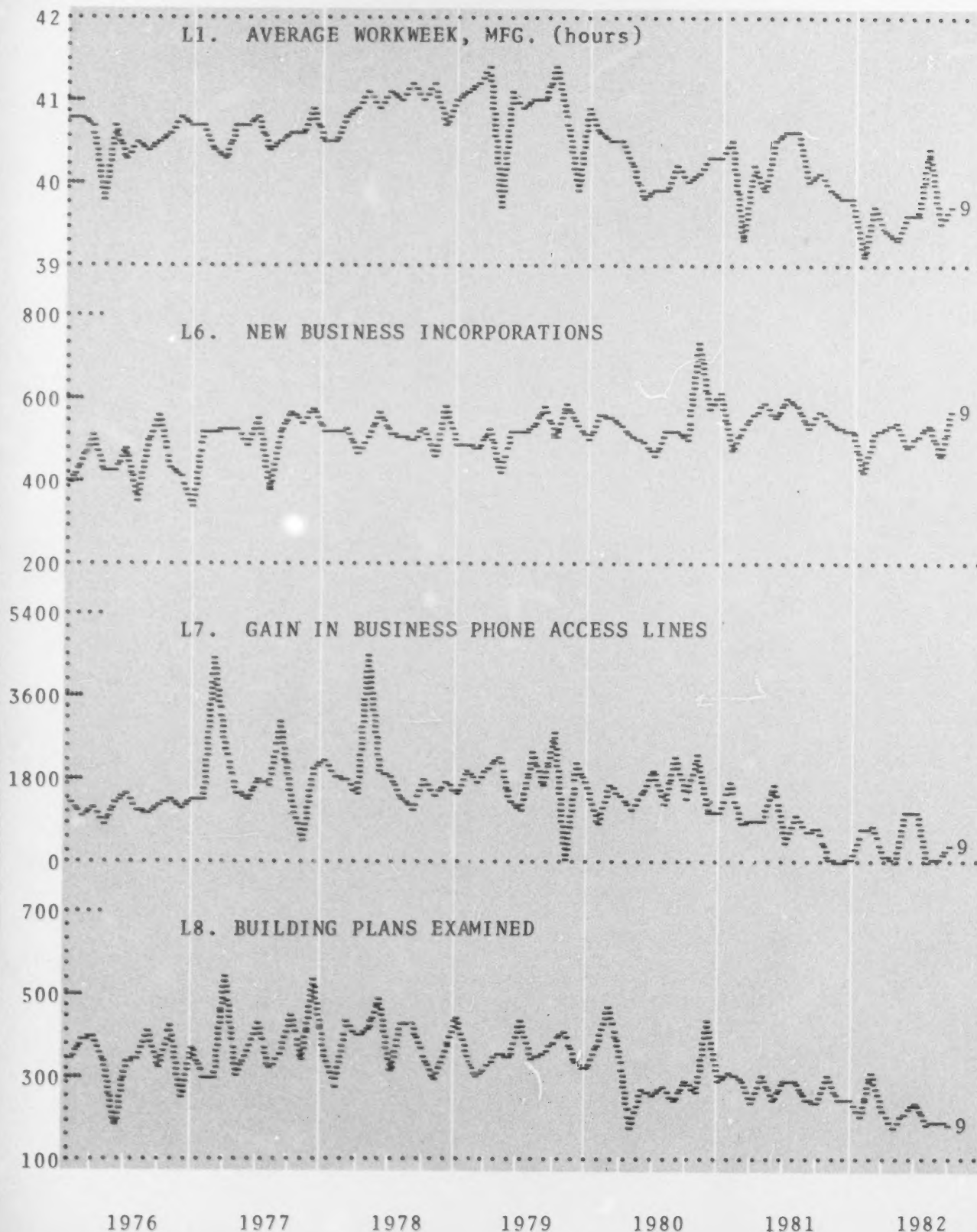
Help - Wanted Advertising Index



WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS

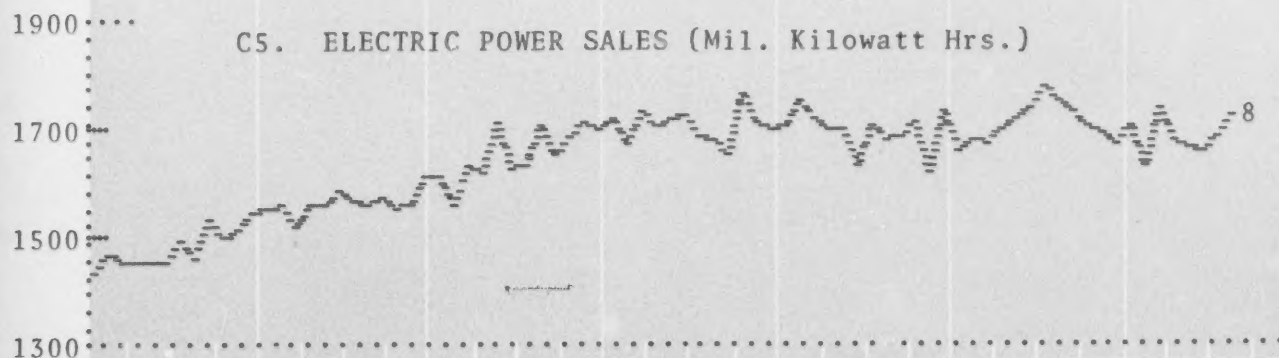
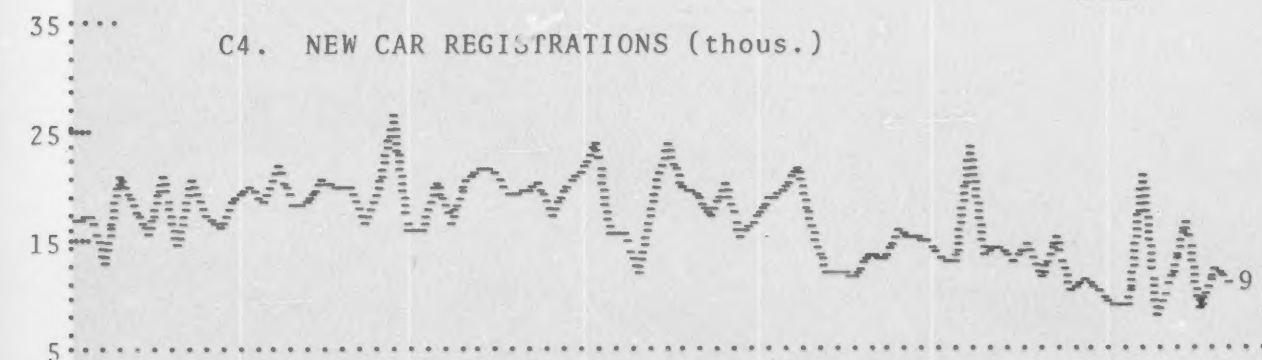
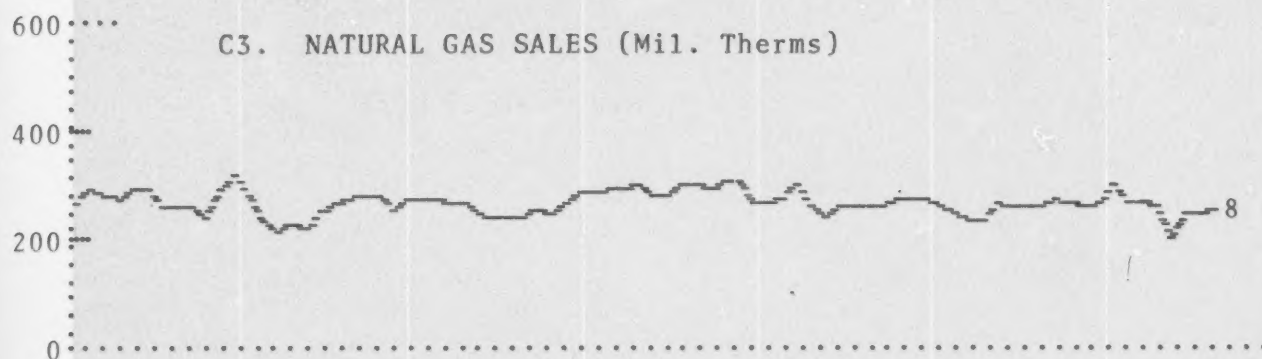
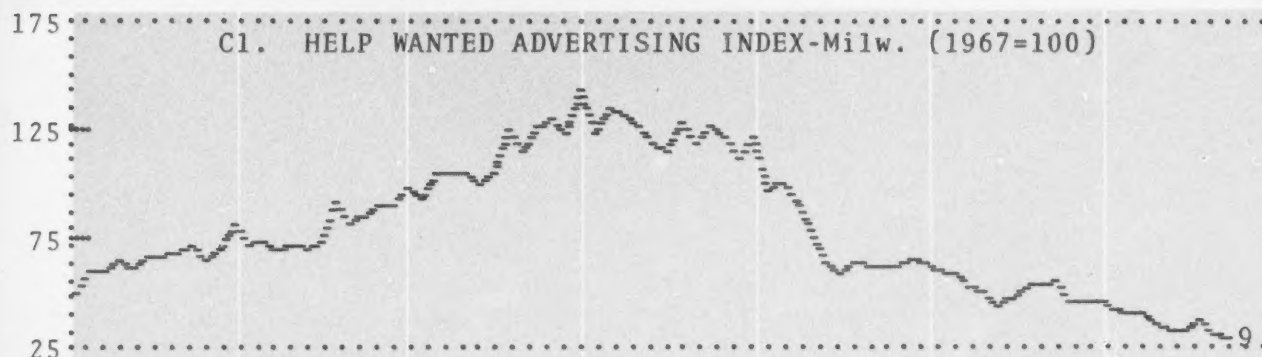


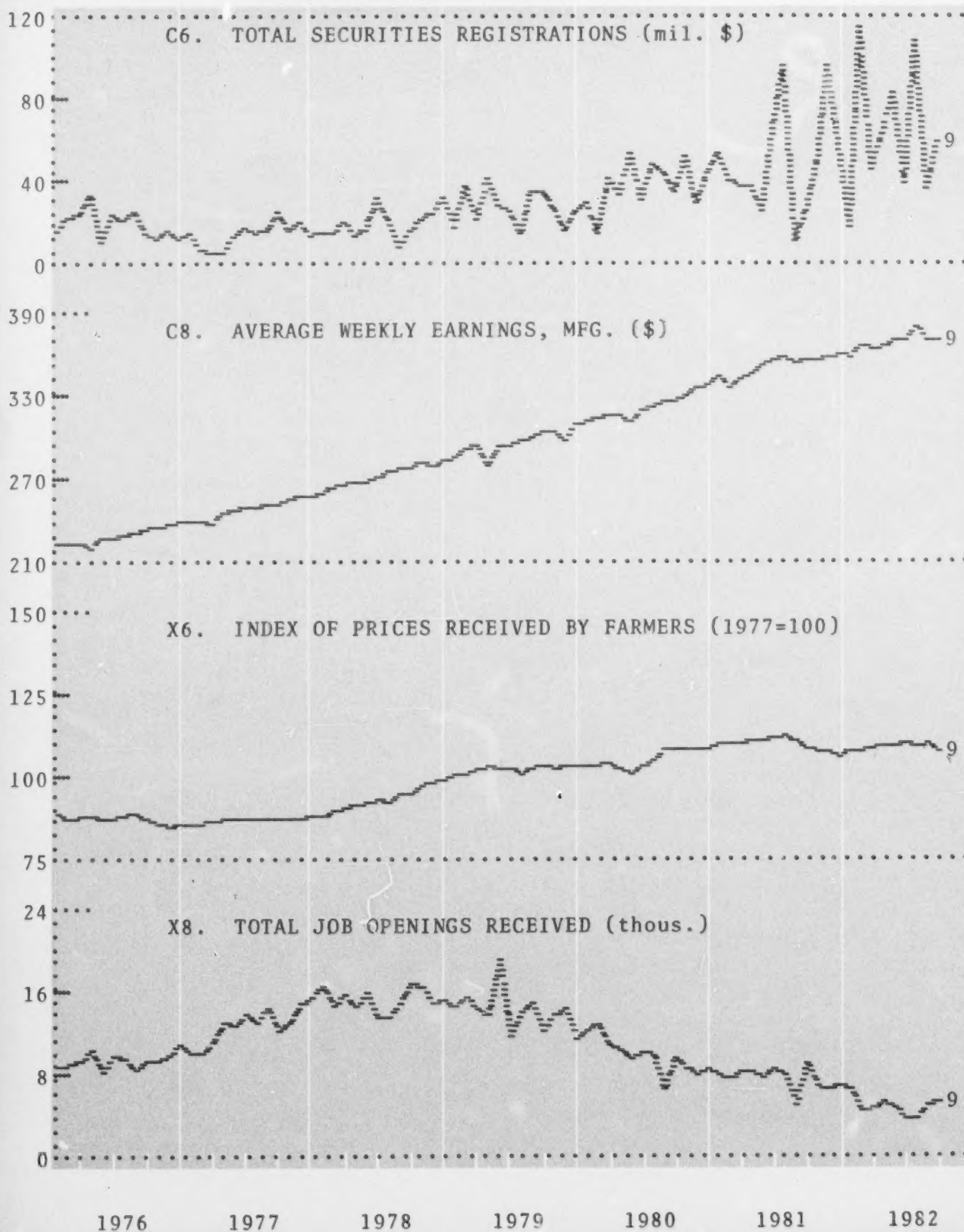
CYCLICAL INDICATORS



D

CYCLICAL INDICATORS



CYCLICAL INDICATORS

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WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS



NOVEMBER 1982



WISCONSIN DATA AND SOURCES

INDICATOR	SOURCE
L1 Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L2 Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L3 Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L4 Business Failures (Dollars)	Dun & Bradstreet, Inc.
L5 Business Failures (Number)	Dun & Bradstreet, Inc.
L6 New Business Incorporations	Wisconsin Secretary of State
L7 Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8 Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1 Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2 Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3 Natural Gas Sales	Wisconsin Public Service Commission
C4 New Car Registrations	Wis. Department of Transportation
C5 Electric Power Sales	Wisconsin Public Service Commission
C6 Total Securities Registrations	Wisconsin Commissioner of Securities
C7 Personal Income	"Business Week," McGraw Hill
C8 Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9 Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10 Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1 Birth Registrations	Wis. Department of Health and Social Services
X2 Death Registrations	Wis. Department of Health and Social Services
X3 Natural Net Gain in Population	Wis. Department of Health and Social Services
X4 Marriage Registrations	Wis. Department of Health and Social Services
X5 Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6 Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7 Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8 Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
X9 Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: PUCK PRACTICE, Green Bay. Courtesy of Dean W. O'Brien and the State Historical Society of Wisconsin.

THE WISCONSIN ECONOMY

SUMMARY FOR OCTOBER

WISCONSIN'S EMPLOYMENT LEVEL DECREASED BY NEARLY THIRTEEN THOUSAND IN OCTOBER. MOST OF THAT, HOWEVER, IS A NORMAL OCTOBER DECLINE. UNEMPLOYMENT GREW BY 4800, IN A MONTH WHICH USUALLY HAS A DECREASE IN JOBLESSNESS. THE SEASONAL UNEMPLOYMENT TREND IS, THUS, UP A LOT. THAT PRODUCED A RECORD 11.7 PERCENT SEASONALLY ADJUSTED UNEMPLOYMENT RATE.

LEADING INDICATORS OF ECONOMIC ACTIVITY ARE MIXED. THE MANUFACTURING WORKWEEK IS SHORTER. INITIAL CLAIMS FOR UNEMPLOYMENT COMPENSATION INCREASED, BUT NOT AS MUCH AS IS SEASONALLY NORMAL FOR OCTOBER. NEW BUSINESS INCORPORATIONS DECREASED, BUT BUILDING PLANS EXAMINED INCREASED.

WISCONSIN LABOR FORCE

Employment in Wisconsin decreased by 12,900 jobholders during October. A large portion of that loss is normal for the month, thus, the seasonally adjusted employment figure decreased by 2,600 workers. The employment trend for the month is down, but not acutely so.

Unemployment grew in October by 4,800 additional jobless workers. But October is a month in which unemployment usually decreases. The resulting month-to-month trend, September to October, is an 11,000 increase in the seasonally adjusted unemployment number. It is that jump in the unemployment trend which produced Wisconsin's record 11.7 percent seasonally adjusted unemployment rate.

The manufacturing industries sustained a large loss of employment, 14,800 from

September to October. Some of that is normal, the seasonally adjusted decrease was 8000 jobs. Somewhat offsetting were employment gains in construction, trade, transportation and public utilities, and government. The construction employment increase is unusual for October and is probably the result of lower loan rates in recent months.

The nearly thirteen-thousand employment loss, but only 4800 increase in unemployment means a decrease in the size of the labor force. The decrease amounts to 8000 fewer workers and job seekers. That shrinkage, however, is unseasonably low, so the seasonally adjusted labor force trend increased by 8400 people.

LEADING INDICATORS

The average workweek in manufacturing shortened in October, both in actual hours and on a seasonally adjusted basis. The decrease was due to a lowering of overtime hours.

The average number of weekly initial claims for unemployment compensation increased by 2526 new claims. That, however, is a smaller increase than usual for this time of year. The seasonally adjusted trend is down by 1967 claims.

New business incorporations decreased in October to 485 from 533 one month ago. Some of the decrease is seasonal.

The number of building plans examined increased both in actual number and in seasonally adjusted trend. Commercial and rental building plans are examined by the state for safety and building code compliance.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
LEADING INDICATORS								
L1 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	39.5	Oct	39.7	39.9	-0.5	-1.0	40.1
Seasonally Adjusted		39.5		39.7	39.9	-0.5	-1.0	
L2 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	2.3	Oct	2.5	2.8	-8.0	-17.9	2.7
Seasonally Adjusted		2.2		2.1	2.6	4.8	-15.4	
L3 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	20,294	Oct	17,768	12,315	14.2	64.8	11,275
Seasonally Adjusted		25,368		27,335	15,385	-7.2	64.9	
L4 BUSINESS FAILURES								
Unadjusted	THOUS.	3,252	Dec	4,998	2,719	-34.9	19.6	-
Seasonally Adjusted	DOL.	4,342		5,069	3,629	-14.3	19.6	
L5 BUSINESS FAILURES								
Unadjusted	NUMBER	25	Dec	16	18	56.2	38.9	-
Seasonally Adjusted		24		19	17	26.3	41.2	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	485	Oct	533	521	-9.0	-6.9	550
Seasonally Adjusted		503		567	540	-11.3	-6.9	
L7 NET GAIN IN BUSINESS PHONE ACCESS LINES								
Unadjusted	NUMBER	-27	Oct	533	873	-105.1	-103.1	692
Seasonally Adjusted		-992		365	-92	-371.8	-978.3	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	281	Oct	239	414	17.6	-32.1	276
Seasonally Adjusted		211		193	311	9.3	-32.2	
ROUGHLY COINCIDENT INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	31	Oct	29	46	6.9	-32.6	51
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	10.5	Oct	10.3	7.0	-	-	7.8
Seasonally Adjusted		11.7		11.3	8.1	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL.	130.6	Sep	117.8	140.1	10.9	-6.8	258.3
Seasonally Adjusted	THERMS	255.6		244.4	274.0	4.6	-6.7	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	12,090	Oct	11,530	12,543	4.9	-3.6	13,764
Seasonally Adjusted		10,145		11,328	10,527	-10.4	-3.6	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1642.6	Sep	1762.1	1704.2	-6.8	-3.6	1712.7
Seasonally Adjusted		1671.0		1683.0	1733.8	-0.7	-3.6	

P = Preliminary

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	85.2	Oct	50.2	49.0	69.7	73.9	46.3
Seasonally Adjusted		83.5		59.8	48.0	39.6	74.0	
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,219	Aug	4,282	4,062	-1.5	3.9	4,060
Seasonally Adjusted		4,266		4,317	4,107	-1.9	3.9	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	375.53	Oct	371.72	358.32	1.0	4.8	352.54
Seasonally Adjusted		373.66		372.46	356.53	0.3	4.8	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	452.3	Aug	432.9	449.5	4.5	0.6	414.4
Seasonally Adjusted		441.3		416.7	438.6	5.9	0.6	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	55.7	Oct	55.5	64.9	0.4	-14.2	60.9
Seasonally Adjusted		50.2		49.9	58.5	0.6	-14.2	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,260	Sep	6,143	6,300	1.9	-0.6	6,047
Seasonally Adjusted		5,609		5,828	5,647	-3.8	-0.7	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,244	Sep	3,043	3,355	6.6	-3.3	3,351
Seasonally Adjusted		3,202		3,207	3,312	-0.2	-3.3	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,016	Sep	3,100	2,945	-2.7	2.4	2,696
Seasonally Adjusted		2,399		2,598	2,344	-7.7	2.3	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,660	Sep	4,951	4,607	-5.9	1.2	3,422
Seasonally Adjusted		3,467		3,627	3,427	-4.4	1.2	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	302.4	Sep	296.5	286.9	2.0	5.4	280.1
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	142	Oct	142	142	0.0	0.0	145
Seasonally Adjusted		141		142	141	-0.7	0.0	
X7 NET GAIN IN RESIDENTIAL PHONE ACCESS LINES								
Unadjusted	NUMBER	399	Oct	2,433	1,554	-83.6	-74.3	1,031
Seasonally Adjusted		-402		-2,178	753	81.5	-153.4	
X8 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	6,637	Sep	7,618	11,027	-12.9	-39.8	7,686
Seasonally Adjusted		5,563		5,137	9,241	8.3	-39.8	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	489.7	Oct	504.2	539.8	-2.9	-9.3	543.8
Seasonally Adjusted		485.8		493.8	535.5	-1.6	-9.3	

P = Preliminary

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Unadjusted</i>					
CIVILIAN LABOR FORCE	2476.3	2484.3	2376.6	-0.3	4.2
Employment (Inc. Labor Disputes)	2216.2	2229.1	2210.7	-0.6	0.2
Unemployment	260.0	255.2	165.9	1.9	56.7
Unemployment Rate	10.5	10.3	7.0	-	-
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	2450.7	2442.3	2369.1	0.3	3.4
Employment (Inc. Labor Disputes)	2162.8	2165.4	2176.8	-0.1	-0.6
Unemployment	287.9	276.9	192.3	4.0	49.7
Unemployment Rate	11.7	11.3	8.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1875.3	1882.6	1943.4	-0.4	-3.5
<i>Unadjusted</i>					
Manufacturing	489.0	503.8	539.7	-2.9	-9.4
Mining	2.1	2.1	2.2	0.0	-4.5
Contract Construction	55.7	55.5	64.9	0.4	-14.2
Transportation and Public Utilities	88.5	87.8	93.0	0.8	-4.8
Elec., Gas and Sanitary Services	17.1	17.1	16.8	0.0	1.8
Wholesale Trade	100.9	100.7	99.5	0.2	1.4
Retail Trade	334.7	333.9	342.6	0.3	-2.3
General Merchandise	45.9	45.3	47.2	1.3	-2.8
Finance, Insurance and Real Estate	97.5	97.6	96.5	-0.1	1.0
Banking	26.6	26.7	26.8	-0.4	-0.7
Insurance	31.3	31.3	31.3	0.0	0.0
Service and Miscellaneous	338.9	389.4	381.1	-0.1	2.0
Hospitals	74.4	74.4	75.1	0.0	-0.9
Private Education	26.5	24.5	25.2	8.2	5.2
Government	318.0	311.9	323.8	2.0	-1.8
State Government	80.4	78.8	83.9	2.0	-4.2
Local Government	209.9	205.2	212.2	2.3	-1.1

UNITED STATES LABOR FORCE ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	110,644	110,980	109,012	-0.3	1.5
Employment	99,093	99,720	100,343	-0.6	-1.2
Unemployment	11,551	11,260	8,669	2.6	33.2
Unemployment Rate	10.4	10.1	8.0	-	-

MANUFACTURING EMPLOYMENT (Unadjusted) OCTOBER	(In Thousands)		
	Latest	Month	Year
	Month	Ago	Ago
All Manufacturing (Including Canning)	489.0	503.8	539.7
All Manufacturing (Excluding Canning)	471.3	478.9	525.9
Durable Goods	296.5	302.6	345.3
Lumber and Wood Prod., (Except Furniture)	19.2	19.5	19.4
Sawmills and Planning Mills	2.5	2.5	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.8	8.9	9.2
Furniture and Fixtures	8.4	8.5	9.3
Household Furniture	3.8	3.8	4.2
Stone, Clay and Glass Products	7.3	7.6	8.1
Concrete, Gypsum and Plaster Products	3.4	3.5	3.7
Primary Metal Industries	17.2	18.4	25.4
Iron and Steel Foundries	9.4	10.5	15.0
Fabricated Metal Products	47.4	48.1	56.6
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.4	5.5	5.5
Fabricated Structural Metal Products	11.2	11.2	13.8
Metal Stampings	12.2	12.4	16.0
Machinery (Except Electrical)	97.5	99.1	120.2
Engines and Turbines	20.5	20.7	23.2
Farm Machinery and Equipment	15.1	15.0	16.6
Const., Min. & Material Handling Mach. & Equip.	11.8	12.4	18.5
Metalworking Machinery and Equipment	10.5	10.6	12.8
Special Industry Machinery (Except Metalworking)	10.1	10.3	12.1
General Industrial Machinery and Equipment	12.6	12.9	17.4
Service Industry Machines	7.6	7.7	8.4
Electrical Machinery, Equipment and Supplies	48.1	49.1	55.3
Electrical Industrial Apparatus	17.1	18.1	21.9
Household Appliances	6.6	6.2	6.9
Transportation Equipment	31.1	31.6	27.8
Motor Vehicles and Equipment	25.6	26.0	19.6
Instruments and Related Products	10.4	10.6	12.2
Miscellaneous Manufacturing	9.8	9.9	11.0
Nondurable Goods	192.6	201.2	194.3
Food and Kindred Products	69.8	77.7	66.8
Meat Products	13.1	13.4	13.6
Dairy Products	17.1	17.2	16.6
Canning and Preserving	17.7	24.9	13.7
Bakery Products	4.5	4.5	4.6
Beverage Industries	10.8	11.0	11.3
Textile Mill Products	4.4	4.5	4.1
Knitting Mills	3.6	3.7	3.3
Apparel and Other Finished Products	5.8	5.7	6.5
Paper and Allied Products	46.6	46.7	48.3
Pulp and Paper Mills	29.5	29.6	30.3
Converted Paper and Paperboard Products	9.0	8.9	9.4
Paperboard Containers and Boxes	6.9	7.0	7.3
Printing, Publishing and Allied Industries	31.7	31.8	32.0
Newspapers	10.5	10.4	10.7
Commercial Printing	12.6	12.8	12.6
Chemicals and Allied Products	9.6	9.7	10.0
Rubber and Misc. Plastics Products	15.8	16.1	17.0
Miscellaneous Plastics Products	12.0	12.1	13.0
Leather and Leather Products	8.5	8.6	9.5
Leather Tanning and Finishing	2.4	2.4	2.8
Footwear (Except Rubber)	4.4	4.5	4.8
Other Nondurable Goods	0.3	0.3	0.3

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) OCTOBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	\$376	\$372	\$358	39.5	39.7	39.9
All Manufacturing (Excl. Canning)	384	383	363	39.7	39.8	40.1
Durable Goods	386	384	366	39.3	39.3	39.7
Lumber/Wood Prod. (Exc. Furn.)	275	275	250	39.3	39.5	37.9
Furniture and Fixtures	270	287	265	38.5	40.6	39.7
Stone, Clay and Glass Products	386	376	346	42.3	41.8	41.3
Primary Metal Industries	357	352	362	38.0	37.8	39.6
Iron and Steel Foundries	365	361	362	39.1	38.8	40.0
Fabricated Metal Products	376	376	359	39.2	39.3	39.7
Fab. Structural Metal Prod.	378	376	350	40.0	39.9	40.8
Metal Stampings	355	353	368	37.9	37.8	38.7
Machinery (Except Electrical)	434	434	416	39.2	39.3	40.4
Engines and Turbines	467	477	446	38.5	39.2	40.3
Farm Machinery and Equip.	493	497	451	40.6	40.9	41.2
Const. and Related Mach.	427	424	424	38.3	38.3	39.7
Metalworking Mach. and Equip.	411	413	407	38.9	39.0	40.4
Spec. Ind. Mach. (Exc. Metal)	452	430	406	42.7	41.3	41.4
Gen. Industrial Mach. and Equip.	438	434	424	38.8	38.9	39.5
Electrical Mach., Equip. and Supp.	352	352	340	38.8	38.6	39.9
Electrical Industrial Apparatus	385	371	370	38.9	37.7	40.5
Transportation Equipment	506	489	441	41.0	40.6	38.6
Instruments and Related Prod.	285	292	296	35.6	36.5	39.3
Nondurable Goods	360	354	345	39.8	40.3	40.3
Food and Kindred Products	331	323	332	38.5	39.9	38.6
Meat Products	396	419	404	39.1	40.3	38.8
Dairy Products	354	359	322	40.1	40.6	39.7
Textile Mill Products	247	260	239	38.7	39.1	38.0
Apparel and Other Fin. Prod.	199	200	191	37.3	36.9	36.5
Paper and Allied Products	456	451	423	44.3	44.3	44.6
Pulp and Paper Mills	489	487	452	45.4	45.5	45.7
Printing, Pub. and Allied Prod.	406	405	380	38.4	38.3	39.2
Chemicals and Allied Products	401	402	386	39.9	40.2	40.2
Rubber and Misc. Plastics Prod.	306	303	282	38.7	39.1	39.5
Leather and Leather Products.	241	235	234	37.2	36.6	39.1

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) OCTOBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	\$9.51	\$9.36	\$8.98	\$9.26	\$9.13	\$8.67
All Manufacturing (Excl. Canning)	9.69	9.64	9.07	9.43	9.39	8.75
Durable Goods	9.83	9.77	9.20	9.66	9.61	8.93
Lumber/Wood Prod. (Exc. Furn.)	6.99	6.97	6.60	6.98	6.89	6.43
Furniture and Fixtures	7.01	7.07	6.67	-	-	-
Stone, Clay and Glass Products	9.13	9.01	8.38	8.94	8.91	8.15
Primary Metal Industries	9.38	9.32	9.15	9.25	9.20	8.88
Iron and Steel Foundries	9.34	9.32	9.06	9.17	9.18	8.78
Fabricated Metal Products	9.59	9.56	9.06	9.33	9.23	8.73
Fab. Structural Metal Prod.	9.45	9.42	8.58	9.22	9.23	8.29
Metal Stampings	9.35	9.33	9.52	9.26	9.24	9.32
Machinery (Except Electrical)	11.07	11.04	10.29	10.95	10.93	10.07
Engines and Turbines	12.12	12.17	11.05	12.04	12.06	10.80
Farm Machinery and Equip.	12.12	12.18	10.94	11.90	12.04	10.71
Const. and Related Mach.	11.16	11.08	10.66	11.09	10.95	10.45
Metalworking Mach. and Equip.	10.56	10.59	10.06	10.45	-	9.83
Spec. Ind. Mach. (Exc. Metal)	10.59	10.41	9.83	10.33	9.99	9.52
Gen. Industrial Mach. and Equip.	11.27	11.14	10.73	11.14	11.06	10.58
Electrical Mach., Equip. and Supp.	9.07	9.10	8.54	8.95	8.96	8.33
Electrical Industrial Apparatus	9.89	9.83	9.12	9.78	9.67	8.85
Transportation Equipment	12.36	12.07	11.42	11.95	11.83	10.74
Instruments and Related Prod.	7.99	8.00	7.54	-	-	7.43
Nondurable Goods	9.05	8.78	8.58	8.63	8.41	8.18
Food and Kindred Products	8.60	8.10	8.61	8.16	7.74	8.19
Meat Products	10.12	10.38	10.39	9.60	9.86	9.99
Dairy Products	8.81	8.85	8.11	8.44	8.41	7.79
Textile Mill Products	6.40	6.66	6.30	6.18	6.43	6.06
Apparel and Other Fin. Prod.	5.33	5.41	5.22	5.25	5.31	5.12
Paper and Allied Products	10.29	10.19	9.49	9.79	9.67	8.98
Pulp and Paper Mills	10.76	10.72	9.89	10.21	10.14	9.32
Printing, Pub. and Allied Prod.	10.58	10.60	9.70	-	-	-
Chemicals and Allied Products	10.04	10.00	9.61	9.89	9.82	9.42
Rubber and Misc. Plastics Prod.	7.92	7.74	7.15	7.69	7.52	6.99
Leather and Leather Products.	6.47	6.43	6.00	6.41	6.37	5.86

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) OCTOBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	\$332	\$334	\$324	38.8	38.9	39.7	8.56	8.59	8.16	-	-
Wisconsin	376	372	358	39.5	39.7	39.9	9.51	9.36	8.98	9.26	9.13
<i>Selected Areas</i>											
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	371	364	355	41.6	41.0	41.3	8.93	8.88	8.60	8.63	8.57
Beloit (City)	404	390	351	42.8	41.4	41.2	9.43	9.44	8.53	9.20	9.07
Eau Claire (Eau Claire-Chippewa)	371	363	351	39.9	40.1	40.9	9.31	9.06	8.58	8.93	8.72
Fond du Lac (County)	302	303	340	38.6	38.3	41.1	7.83	7.91	8.27	7.62	7.67
Green Bay (Brown County)	422	413	370	41.9	42.8	40.9	10.09	9.66	9.04	9.53	9.09
Janesville (City)	443	436	437	38.7	38.2	39.6	11.46	11.40	11.03	11.43	11.35
Janesville-Beloit (Rock County)	394	384	371	39.9	38.9	40.3	9.90	9.87	9.21	9.81	9.73
Kenosha (County)	500	467	363	41.3	40.8	37.8	12.12	11.45	9.59	11.30	11.12
La Crosse (County)	340	334	316	38.8	39.0	39.6	8.76	8.57	7.97	8.46	8.39
Madison (Dane County)	359	353	342	38.2	39.0	39.6	9.38	9.06	8.64	9.09	8.69
Manitowoc (County)	277	279	287	36.2	36.3	38.9	7.65	7.69	7.37	7.58	7.58
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	413	416	396	39.0	39.3	39.6	10.57	10.59	9.99	10.32	10.31
Racine (County)	406	399	390	39.9	39.4	40.1	10.18	10.14	9.73	9.95	9.92
Sheboygan (County)	355	358	333	39.5	39.8	38.1	8.99	8.99	8.73	8.83	8.80
Wausau (Marathon County)	393	400	381	41.9	43.0	42.8	9.37	9.31	8.90	9.04	8.76

EMPLOYMENT, MFG. (Unadjusted) OCTOBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	18,518.0	18,803.0	20,271.0	-1.5	-8.6
Wisconsin	489.0	503.8	539.7	-2.9	-9.4
<i>Selected Areas</i>					
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	43.0	43.8	47.4	-1.8	-9.3
Beloit (City)	6.2	6.4	7.4	-3.1	-16.2
Eau Claire (Eau Claire-Chippewa)	8.5	8.7	9.0	-2.3	-5.6
Fond du Lac (County)	10.7	11.0	11.0	-2.7	-2.7
Green Bay (Brown County)	21.8	22.0	22.4	-0.9	-2.7
Janesville (City)	8.6	8.8	7.9	-2.3	8.9
Janesville-Beloit (Rock County)	17.2	17.4	17.4	-1.1	-1.1
Kenosha (County)	17.0	17.6	12.0	-3.4	41.7
La Crosse (County)	9.9	10.1	10.4	-2.0	-4.8
Madison (Dane County)	19.2	19.8	20.9	-3.0	-8.1
Manitowoc (County)	10.8	11.4	14.9	-11.3	-27.5
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	165.8	167.2	195.0	-0.8	-15.0
Racine (County)	22.6	23.0	27.3	-1.7	-17.2
Sheboygan (County)	17.7	17.9	18.6	-1.1	-4.8
Wausau (Marathon County)	10.5	10.7	11.6	-1.9	-9.5

WISCONSIN ECONOMIC OUTLOOK

by David H. Peterson
Department of Revenue

The recent sharp drop in interest rates sets the stage for national economic recovery during the first half of 1983. Lower mortgage rates have already spurred an apparent climb in housing permits. This is welcome news for the badly depressed construction industry.

Compared to historical standards, this will be a moderate recovery, however. Projected annual real Gross National Product (GNP) growth rates of 3% to 4% for 1983 through 1985 are well below the 5% to 5.5% gains posted during the 1976 through 1978 recovery period.

Consumer spending remains a key factor affecting the timing and pace of the upturn. Most consumers are in an excellent position to increase their spending because of the very low level of consumer debt, somewhat lower consumer interest rates, and a modest buildup of cash created by unspent tax reductions. However, consumer sentiment to date has been depressed by high unemployment.

Long-term interest rates are projected to trend downward gradually during the forecast period. While interest rates should move somewhat below current levels, real interest rates will continue at relatively high levels.

Progress against inflation will likely be maintained. The consumer price index is projected to range from 5.3% in 1983 to 6.5% in 1985.

The major sources of uncertainty in the economic outlook are consumer confidence and federal monetary policy. Consumer confidence is the dominant factor in the short-run. As noted above, the consumer has the ability to significantly increase spending; but shifts in consumer psychology cannot be predicted with confidence

In the long-run federal monetary policy will be the decisive element influencing the path of the economy. The Federal Reserve Board has set a course of restraint aimed at holding down inflation while recognizing the critical need for at least moderate real growth in the economy. The Fed faces these objectives amid record federal deficits.

General Outlook

Real GNP growth averages 2.1% in the last quarter of 1982 and should increase to 2.9% in 1983 and to 3.9% in 1984 and 1985.

Federal Budget

Tax increases were enacted under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) -- anticipated to be \$27 billion in calendar year 1983, \$38 billion in 1984, and \$48 billion in 1985. TEFRA includes increased tax collections from better enforcement, accelerated corporate tax payments, reversal of later-year depreciation changes, and increased excise taxes. Real defense purchases, down from administration requests, are assumed to rise 7.3% in 1982, 6.7% in 1983, 6.6% in 1984 and 6% in 1985. Real nondefense expenditures are assumed to rise 2.3% in 1982 and 1.5% in 1983, decline 0.8% in 1984 and rise 0.5% in 1985. The deficit is projected to rise from \$57.4 billion in fiscal 1981 to \$112.5 billion in fiscal 1982, \$160.1 billion in fiscal 1983, \$147.2 billion in fiscal 1984 and \$121.7 billion in fiscal 1985.

Monetary Policy

Federal Reserve policy is expected to accommodate the recovery in its initial stages by allowing lower interest rates. When recovery generates higher monetary growth, it

is assumed the Fed will tighten the money supply modestly, pushing interest rates somewhat higher in early 1983. The target limits for money supply (M-1) growth are expected to remain unchanged for 1983, but are assumed to be tightened for 1984, when the Fed is expected to hold monetary growth within limits. This monetary policy will keep real interest rates above historic levels but below current levels.

Consumption

Consumer spending is projected to rise in 1982:4, as lower interest and inflation rates offset poor consumer confidence. The lower rates and the final step of the tax cuts should also strengthen consumption in 1983, with domestic auto sales expected to increase by 900,000 units, to 8.7 million units. The saving rate is also expected to rise slowly, averaging 6.7% in 1982, 6.8% in 1983 and 7.2% in both 1984 and 1985.

Housing

Housing starts are projected to average 1.4 million units in 1983, 1.7 million in 1984 and 1.8 million in 1985. Mortgage rates are forecast to drop from an average of 16.7% this year to 13.6% in 1985.

Business Investment

Investment is expected to fall 10.3% from its 1981:4 peak to its 1983:1 trough. Equipment spending should begin to recover by 1983:1, but construction will probably continue to decline into 1983:3. Total non-residential investment is expected to decline 4.6% in 1982 and 3.3% in 1983, but to grow 4.9% in 1984 and 7.7% in 1985.

Profits

Recession, high interest rates and a strong dollar in international markets should combine to lower reported corporate profits by 25% in 1982. They are then expected to rise by 14.9% in 1983, 19.9% in 1984 and 13.9% in 1985, due to better sales, operating rates and productivity, and to lower interest and exchange rates.

Prices

Lower wage increases, productivity gains and lowered costs of capital will reduce the core inflation rate from 9% in 1981 to under 7% in 1983. Inflation, measured by the GNP deflator, is expected to moderate from 9.4% in 1981 to an average 5.6% in 1983 but to rise to 6.1% in 1984 and to 6.5% in 1985. Wholesale prices are projected to increase gradually during the recovery--rising 3.9% in 1982, 4.3% in 1983, 6.3% in 1984 and 6.9% in 1985.

Energy

Real crude oil prices are assumed to fall in 1982 and 1983. The nominal refiners' acquisition cost of foreign oil should decrease 9% this year and 1.1% in 1983, before rising 7.5% in 1984 and 9.7% in 1985. The fuel import bill is expected to fall \$15.8 billion, to \$66.3 billion, in 1982, and to rise to \$90.2 billion by 1985. Energy demand is expected to fall 2.7% this year before recovery stimulates small increases.

Wisconsin Forecast Summary

September's 11.3% unemployment rate underlines the continued weakness of the Wisconsin economy. The short-term outlook for the state's economy remains pessimistic. While employment losses are

expected to bottom out soon, there is little likelihood of significant job gains before the second half of 1983.

The Wisconsin economy should benefit from the expected national economic recovery, but the pace of recovery in Wisconsin will be constrained by Wisconsin's heavy dependence on durable goods manufacturing. The turnaround in capital goods sales will, as usual, lag the general upturn of the U.S. economy. Thus, the Wisconsin economy will lag the U.S. in recovery phase.

The seasonally adjusted level of nonfarm employment was 1.863 million in the third quarter, down 3.3% (64,000 jobs) from the third quarter of 1981. Nonfarm employment is expected to average 1.871 million for all of this year, down 2.5% from last year's average level.

Since the new year will begin with employment more than 2% below the prior year's level and since no jobs gains are projected until the third quarter of 1983, the average level of employment next year will probably show a decline for the fourth consecutive year. Total employment in Wisconsin is projected to increase by 39,000 (2.1%) in 1984 and by 56,000 (2.9%) in 1985.

Reflecting the slow pace of the economic recovery, the state unemployment rate can be expected to stay above 10% throughout most of 1983 and is not expected to fall below 9% until 1985.

The durable goods industries in Wisconsin have been severely impacted by the short recession of 1980 and the continuing current recession. Many industries in Wisconsin's durable goods sector

did not recover from the 1980 recession. Therefore, from the prospective of these industries, there has been a single continuous recession from 1980 to the present.

Wisconsin's share of U.S. manufacturing durable goods employment in 1979 was 3.1%. In the third quarter this year, Wisconsin's employment share had fallen to 2.8%. The decline in Wisconsin's durable goods employment from the 1979 average level (393,000) to the present (303,300 in the third quarter) level represents a job loss of 90,500. If Wisconsin had maintained its average share, the job losses would have been restricted to 52,500. The loss of these 52,500 jobs in manufacturing durables can be viewed as a direct result of the national recession. The additional jobs loss of 38,000 is, in part, attributable to Wisconsin's industry mix within the durable sector. The industry with the largest concentration of employment in Wisconsin's durable manufacturing sector is nonelectric machinery. In the same year, 34.2% of all Wisconsin's durable goods employment was in the nonelectrical machinery industry. By the third quarter of this year, Wisconsin's share of national nonelectrical machinery employment had slipped to 4.5%.

Had Wisconsin maintained its share, the job losses in nonelectrical machinery would be 13,600 to date, instead of 29,400 jobs. The additional 15,800 jobs lost in this industry appears to be due primarily to our concentration of jobs in the areas of farm machinery, construction machinery, and machine tools--industries which have been particularly hard hit during the past two years. As production levels have dropped sharply in these areas, the proportion

of U.S. machinery employment in other classes has increased. For example, employment in the manufacture of office and computing equipment--a product line in which Wisconsin is underrepresented--has done markedly better.

Sizeable job losses have also occurred in other important manufacturing industries, such as autos, primary metals (mainly foundries), and electrical machinery. The outlook for Wisconsin durable goods industries is strongly influenced by the level of capacity utilization. Because factory operating rates are currently below 70%, demand for capital goods cannot be expected to rise until production levels increase substantially. This factor alone assures a lag in job recovery in this sector. Durable manufacturing employment in Wisconsin is projected to decline until the middle of next year. Growth rates, while positive during the second half of 1983, will reflect sluggishness until demand for capital goods fully recovers nationally. Employment in durables is projected to advance at a 2.8% rate in 1984 and by 5.4% in 1985.

The Wisconsin non-durable goods sector, which is dominated by the food products and pulp and paper industries, has performed as well as can be expected in a recession environment. After job decreases averaging 1.6% annually during the last three years, annual non-durable employment increases averaging about 1% are projected through 1985.

Service and trade employment is projected to grow at average annual rates of approximately 2.5%, reflecting long-run structural

changes as well as the impact of recovery. State and local government employment in 1985 is projected to be slightly below the 1980 level.

The loss of employment, together with a lower rate of wage increases, is projected to result in a scant 1.4% increase in wage and salary disbursements in 1982. Farms income, although a small part of total personal income, is also expected to reduce the growth in incomes somewhat because of lowered milk prices and depressed crop prices. Personal income growth has been bolstered recently by increased interest income and transfer payments. Real personal income in Wisconsin (income adjusted for inflation) is expected to grow by 1.4% in 1983 after a decline of 1.4% this year. Real income gains for Wisconsin residents are projected to be 2.9% in 1984 and 3.2% in 1985.

Summary

Some further decline in interest rates are expected to spur a moderate recovery soon. Recovery growth rates will be less than normal, and will not show major improvements until consumer confidence turns around and capital spending starts to improve next year. Federal Reserve policy and the size of federal deficits are likely to affect the course of the recovery to a large degree.

In Wisconsin, the economy is expected to languish a few more months due to the heavy influence of capital goods industries in the state. Employment may be down, on average, again next year and then respond to the national recovery in 1984 and 1985.

WISCONSIN ECONOMIC FORECAST
Components of Personal Income (\$ billions)

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Wages and Salaries	28.693	30.173	32.802	36.086
Farm Income (before invnt. adj.)	0.275	0.348	0.390	0.405
Nonwage, Nonfarm Income	20.065	21.901	23.928	25.125
Total Personal Income*	49.033	52.422	57.120	62.616
% Change	4.3	6.9	9.0	9.6
Total Personal Income (1972 dollars)	23.813	24.144	24.846	25.648
% Change	-1.4	1.4	2.9	3.2
Real Income Per Capita	4,936	4,961	5,058	5,175
% Change	-2.3	0.5	2.0	2.3

Employment (Thousands of Workers, Annual Average)

Mining	1.9	1.9	1.9	2.0
% Change	-13.9	2.9	0.9	2.5
Construction	52.2	49.3	53.7	59.0
% Change	-14.5	-5.6	8.9	9.9
Manufacturing-Durable	309.3	288.1	296.2	312.3
% Change	-11.6	-6.9	2.8	5.4
Manufacturing-Nondurable	188.3	189.0	191.3	193.7
% Change	-2.5	0.4	1.2	1.2
Trans., Comm., Utilities	87.4	86.9	87.9	89.8
% Change	-3.3	-0.7	1.2	2.2
Finance, Insurance, Real Estate	97.0	97.9	100.7	103.8
% Change	1.2	0.9	2.9	3.1
Trade	431.1	435.9	447.4	462.4
% Change	-0.3	1.1	2.6	3.4
Services	384.1	390.4	401.3	414.6
% Change	2.2	1.7	2.8	3.3
All Government (Civilian)	320.2	322.6	320.5	319.3
% Change	0.4	0.8	-0.7	-0.4
Total Employment (Nonfarm)	1,871.5	1,861.9	1,900.9	1,956.9
% Change	-2.5	-0.5	2.1	2.9

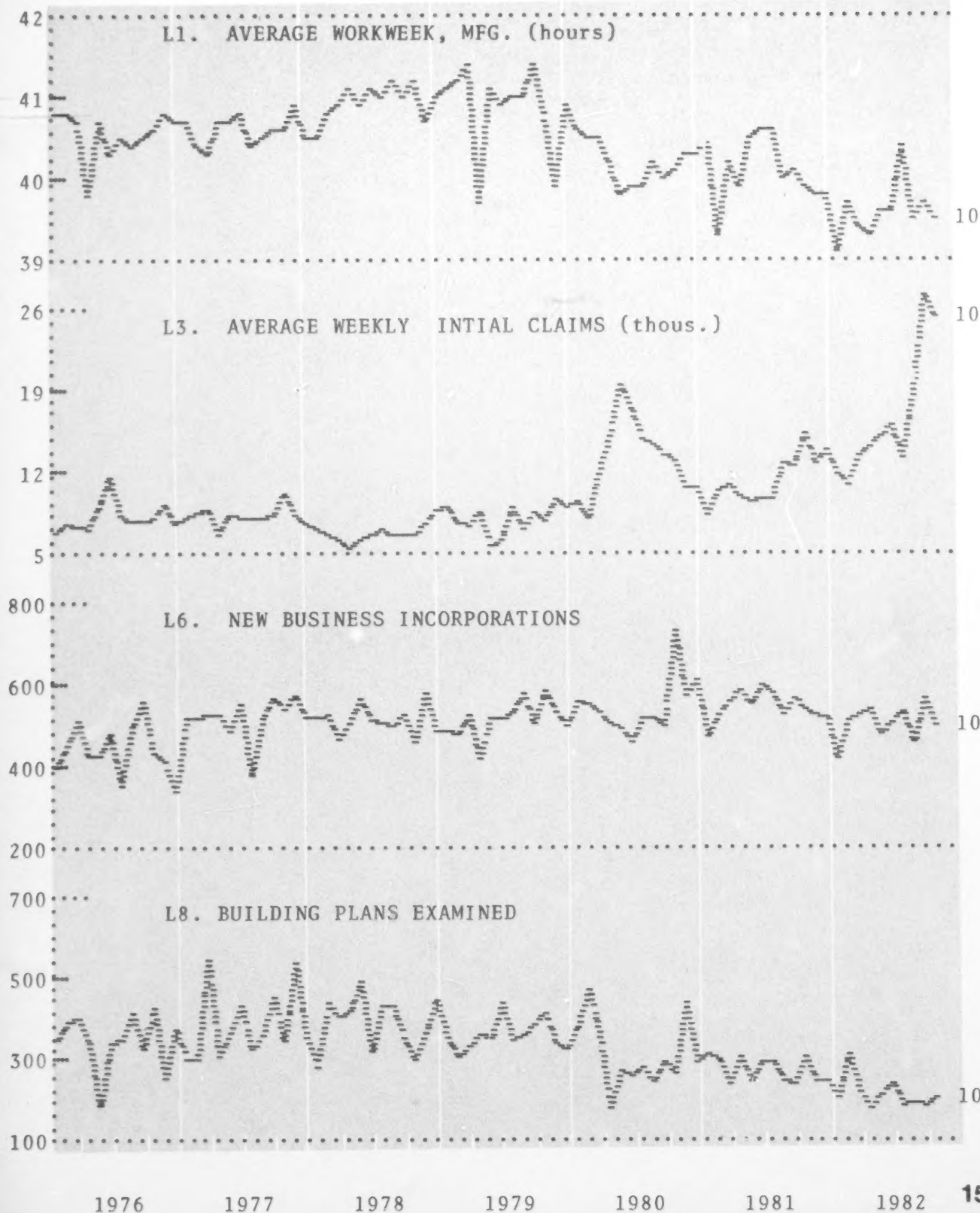
*Adjusted to exclude inventory valuation in farm income.

WISCONSIN MANUFACTURING EMPLOYMENT FORECAST: INDUSTRY DETAIL
(Thousands of Workers, SA*)

	1982:4	1982	1983:1	1983:2	1983:3	1983:4	1983	1984	1985
All Manufacturing % Change	481.5 -8.8	497.5 -8.4	477.0 -3.7	475.1 -1.6	476.7 1.4	479.6 2.4	477.1 -4.1	487.5 2.2	505.9 3.8
Durables % Change	292.9 -13.0	309.3 -11.6	288.7 -5.5	286.5 -3.0	287.5 1.3	289.6 3.0	288.1 -6.9	296.2 2.8	312.3 5.4
Lumber & Products % Change	18.5 -8.7	19.7 -6.1	18.6 1.3	18.1 -10.1	17.8 -5.5	18.0 3.7	18.1 -3.2	18.5 2.0	19.8 7.4
Stone, Clay & Glass % Change	6.9 -13.9	7.3 -11.4	6.9 -2.0	6.9 0.2	6.9 2.8	7.0 1.7	6.9 -4.9	7.2 3.7	7.7 6.9
Primary Metals % Change	18.0 -20.4	20.3 -20.1	17.2 -17.1	16.8 -8.5	16.7 -1.3	16.9 5.3	16.9 -16.9	17.7 4.7	19.0 7.4
Fabricated Metals % Change	47.2 -11.6	49.9 -12.0	46.6 -5.1	46.1 -4.4	46.0 -0.9	46.1 1.5	46.2 -7.4	46.5 0.7	47.8 2.8
Nonelectrical Mach. % Change	98.1 -12.5	105.1 -11.4	96.2 -7.6	96.7 2.1	98.1 5.8	99.2 4.5	97.5 -7.2	102.9 5.4	109.3 6.3
Electrical Mach. % Change	48.0 -10.8	49.6 -10.3	46.8 -10.2	45.6 -9.7	45.1 -4.1	45.0 -1.2	45.6 -8.1	46.5 1.9	50.3 8.3
Trans. Equipment % Change	27.8 -19.1	28.7 -13.8	28.9 15.7	29.1 3.7	29.6 6.9	30.1 7.2	29.4 2.4	29.8 1.4	30.3 1.5
Other Durables % Change	28.3 -12.2	29.7 -9.1	27.7 -7.8	27.3 -5.9	27.2 -1.2	27.3 0.5	27.4 -7.6	27.3 -0.5	28.0 2.8
Nondurables % Change	188.6 -1.8	188.3 -2.5	188.3 -0.8	188.5 0.6	189.3 1.5	190.0 1.6	189.0 0.4	191.3 1.2	193.7 1.2
Food & Products % Change	65.6 -3.9	64.8 -0.5	65.4 -1.2	65.6 1.3	66.1 2.7	66.4 1.7	65.9 1.7	66.8 1.3	67.4 1.0
Paper & Products % Change	46.5 -0.4	46.7 -3.0	46.4 -0.7	46.4 0.0	46.6 1.2	46.8 1.8	46.5 -0.3	47.0 1.0	47.8 1.7
Printing & Publ. % Change	31.6 -2.8	31.9 -1.1	31.5 -1.8	31.5 -0.5	31.5 0.2	31.5 0.8	31.5 -1.2	32.0 1.6	32.9 2.8
Chemicals & Prod. % Change	9.7 1.3	9.6 -3.8	9.7 -0.3	9.6 -1.2	9.6 -1.6	9.6 -1.3	9.6 -0.5	9.5 -1.2	9.3 -1.7
Rubber & Plastics % Change	16.3 -1.9	16.4 -6.1	16.2 -0.5	16.2 0.0	16.3 1.4	16.4 2.5	16.3 -0.7	16.6 1.9	16.9 2.0
Other Nondurables % Change	18.9 1.8	18.9 -6.0	19.0 1.8	19.2 3.2	19.3 2.4	19.4 2.1	19.2 1.5	19.5 1.3	19.3 -0.8

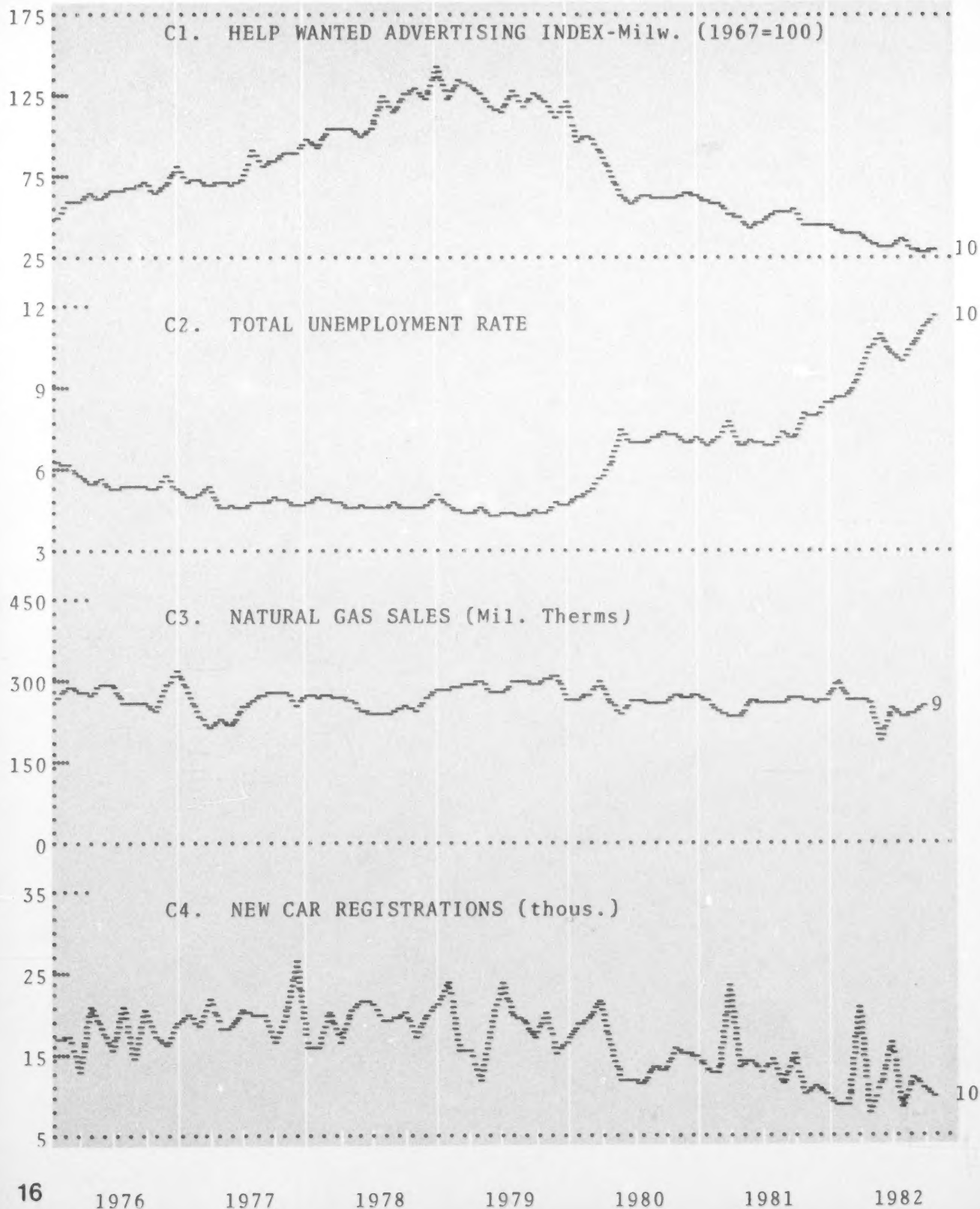
*SA: Seasonally Adjusted

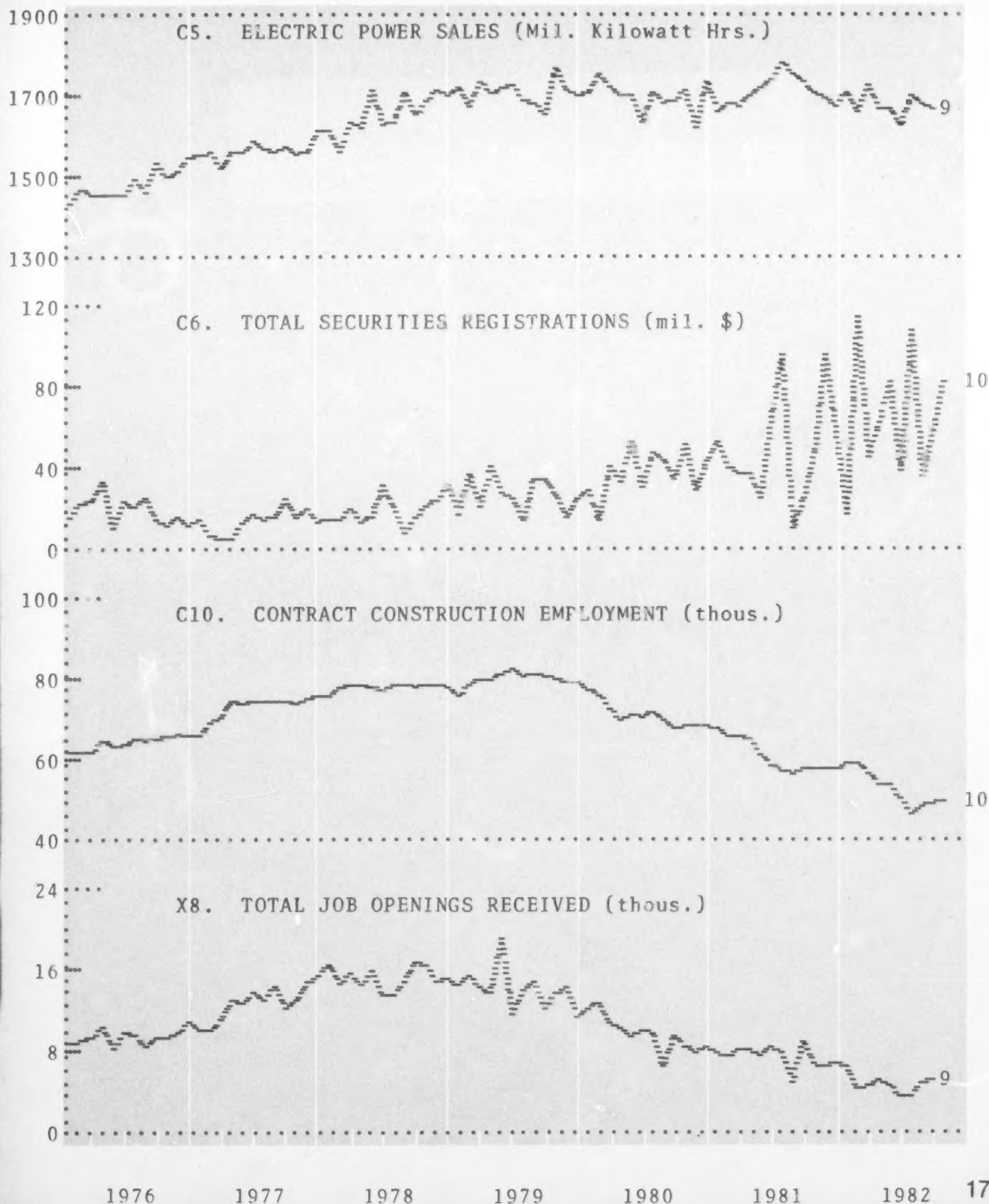
CYCLICAL INDICATORS



D

CYCLICAL INDICATORS



D**CYCLICAL INDICATORS**

WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS



DECEMBER 1982



WISCONSIN DATA AND SOURCES

INDICATOR	SOURCE
L1 Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L2 Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L3 Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L4 Business Failures (Dollars)	Dun & Bradstreet, Inc.
L5 Business Failures (Number)	Dun & Bradstreet, Inc.
L6 New Business Incorporations	Wisconsin Secretary of State
L7 Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8 Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1 Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2 Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3 Natural Gas Sales	Wisconsin Public Service Commission
C4 New Car Registrations	Wis. Department of Transportation
C5 Electric Power Sales	Wisconsin Public Service Commission
C6 Total Securities Registrations	Wisconsin Commissioner of Securities
C7 Personal Income	"Business Week," McGraw Hill
C8 Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9 Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10 Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1 Birth Registrations	Wis. Department of Health and Social Services
X2 Death Registrations	Wis. Department of Health and Social Services
X3 Natural Net Gain in Population	Wis. Department of Health and Social Services
X4 Marriage Registrations	Wis. Department of Health and Social Services
X5 Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6 Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7 Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8 Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
X9 Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR NOVEMBER

WISCONSIN'S EMPLOYMENT LEVEL DECLINED BY OVER 15,000 WORKERS IN NOVEMBER, BUT MOST OF THE DECREASE IS SEASONALLY NORMAL FOR THAT MONTH. UNEMPLOYMENT IS UP BY 7200, BUT THAT IS LESS THAN IS SEASONALLY NORMAL. THE RESULT IS AN INCREASED UNEMPLOYMENT RATE WHICH WHEN SEASONALLY ADJUSTED SHOWS A DOWNWARD TREND.

THE LEADING INDICATORS OF ECONOMIC ACTIVITY ARE MIXED. WHEN ADJUSTED FOR SEASONAL PATTERNS, HOWEVER, MOST INDICATE A TREND TOWARD ECONOMIC IMPROVEMENT FOR THE MONTH.

WISCONSIN LABOR FORCE

Employment in Wisconsin decreased by 15,400 during November. A large employment drop in November is the usual seasonal pattern; and when adjusted for seasonal factors, the employment trend is down by only 800 workers. The 2,203,000 jobholders this month outnumber the year ago employment level of 2,190,700 workers.

Unemployment grew in November by 7,200 jobless workers. That is less than is seasonally normal for this month, so the seasonally adjusted trend shows a decrease in unemployment of 6,900 fewer job seekers. The actual unemployment total of 272,100 is well above the 177,100 figure of one year ago.

With the actual decrease of employment and increase of unemployment, the unemployment rate increased. However, seasonally adjusted, the employment figure decreased only slightly and unemployment also decreased. That produced an unusual combination of an unemployment rate that

increased by three-tenths of a percentage point; but seasonally adjusted decreased by three-tenths of a percentage point. It means that the employment situation worsened, but not as severely as it would have if following the normal seasonal pattern. Contributing to the softening of the severity of the employment situation is the fact that the labor force decreased in size. Many of the unemployed simply dropped out of the labor force.

LEADING INDICATORS

The average workweek in manufacturing industries increased during November to 40.1 hours. One month earlier, the average weekly hour figure was 39.4 hours. The hours worked numbers have fluctuated repeatedly during the year, but this month's level is only the second forty-or-above monthly figure recorded in 1982. Most of this month's lengthened workweek was due to an increase in "straight-time"; only a small portion was due to more overtime. The average overtime worked per week rose from 2.2 to 2.4 hours.

The number of average weekly initial claims for unemployment compensation increased in November to 23,792; a nearly 3500 increase from the previous month's average. That increase, however, is less than is normal for November, so the seasonally adjusted trend is down.

New business incorporations for November decreased from the previous month. The decrease, however, was less than seasonally normal.

The number of building plans examined increased both in actual number and in the monthly seasonally adjusted trend. The increase implies an increase in construction of commercial and industrial buildings.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
LEADING INDICATORS								
L1	AVG. WORK WEEK, MFG.							
	Unadjusted	HOURS	40.1 Nov	39.4	40.2	1.8	-0.2	40.1
	Seasonally Adjusted		39.7	39.4	39.8	0.8	-0.3	
L2	AVG. OVERTIME HOURS, MFG.							
	Unadjusted	HOURS	2.4 Nov	2.2	2.5	9.1	-4.0	2.7
	Seasonally Adjusted		2.4	2.1	2.5	14.3	-4.0	
L3	AVG. WEEKLY INITIAL CLAIMS							
	Unadjusted	NUMBER	23,792 Nov	20,294	15,418	17.2	54.3	11,275
	Seasonally Adjusted		19,712	25,368	12,710	-22.3	54.4	
L4	BUSINESS FAILURES							
	Unadjusted	THOUS.	3,252 Dec81	4,998	2,719	-34.9	19.6	-
	Seasonally Adjusted	DOL.	4,342	5,069	3,629	-14.3	19.6	
L5	BUSINESS FAILURES							
	Unadjusted	NUMBER	25 Dec81	16	18	56.2	38.9	-
	Seasonally Adjusted		24	19	17	26.3	41.2	
L6	NEW BUSINESS INCORPORATIONS							
	Unadjusted	NUMBER	467 Nov	485	448	-3.7	4.2	550
	Seasonally Adjusted		549	503	527	9.1	4.2	
L7	NET GAIN IN BUSINESS PHONE ACCESS LINES							
	Unadjusted	NUMBER	-626 Nov	-27	-1748	-2325.0	64.2	692
	Seasonally Adjusted		476	-992	-646	148.0	173.7	
L8	BUILDING PLANS EXAMINED							
	Unadjusted	NUMBER	294 Nov	281	250	4.6	17.6	276
	Seasonally Adjusted		291	211	248	37.9	17.3	
ROUGHLY COINCIDENT INDICATORS								
C1	HELP-WANTED INDEX (MILW.)							
	Seasonally Adjusted	INDEX	29 Nov	31	45	-6.5	-35.6	51
C2	UNEMPLOYMENT RATE, TOTAL							
	Unadjusted	PERCENT	11.0 Nov	10.7	7.5	-	-	7.8
	Seasonally Adjusted		11.5	11.8	8.0	-	-	
C3	NATURAL GAS SALES							
	Unadjusted	MIL.	188.9 Oct	130.6	228.4	44.6	-17.3	258.3
	Seasonally Adjusted	THERMS	223.0	255.6	269.6	-12.8	-17.3	
C4	NEW CAR REGISTRATIONS							
	Unadjusted	NUMBER	14,218 Nov	12,090	10,476	17.6	35.7	13,764
	Seasonally Adjusted		15,771	10,145	11,625	55.5	35.7	
C5	ELECTRIC POWER SALES							
	Unadjusted	MIL. KWH	1662.6 Oct	1642.6	1737.3	1.2	-4.3	1712.7
	Seasonally Adjusted		1634.8	1671.0	1708.5	-2.2	-4.3	

P = Preliminary

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
C6 TOTAL SECURITIES REGISTRATIONS								
<i>Unadjusted</i>	MIL. DOL.	198.6	Nov	85.2	67.4	133.1	194.7	46.3
<i>Seasonally Adjusted</i>		283.3		83.5	96.1	239.3	194.8	
C7 PERSONAL INCOME								
<i>Unadjusted</i>	MIL. DOL.	4,219	Aug	4,282	4,062	-1.5	3.9	4,060
<i>Seasonally Adjusted</i>		4,266		4,317	4,107	-1.9	3.9	
C8 AVG. WEEKLY EARNINGS, MFG.								
<i>Unadjusted</i>	DOLLARS	385.25	Nov	375.03	366.73	2.7	5.1	352.54
<i>Seasonally Adjusted</i>		377.33		373.16	359.25	1.1	5.0	
C9 CASH RECEIPTS FROM FARM MKTG.								
<i>Unadjusted</i>	MIL. DOL.	426.5	Sep	452.3	395.0	-5.7	8.0	414.4
<i>Seasonally Adjusted</i>		441.1		441.3	408.7	0.0	7.9	
C10 CONTRACT CONSTRUCTION EMPL.								
<i>Unadjusted</i>	THOUS.	53.9	Nov	55.2	62.3	-2.4	-13.5	60.9
<i>Seasonally Adjusted</i>		50.5		49.8	58.4	1.4	-13.5	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
<i>Unadjusted</i>	NUMBER	5,798	Oct	6,260	5,824	-7.4	-0.4	6,047
<i>Seasonally Adjusted</i>		5,735		5,609	5,761	2.2	-0.5	
X2 DEATH REGISTRATIONS								
<i>Unadjusted</i>	NUMBER	3,258	Oct	3,256	3,290	0.1	-1.0	3,351
<i>Seasonally Adjusted</i>		3,308		3,214	3,341	2.9	-1.0	
X3 NATURAL NET GAIN POPULATION								
<i>Unadjusted</i>	NUMBER	2,540	Oct	3,004	2,534	-15.4	0.2	2,696
<i>Seasonally Adjusted</i>		2,440		2,390	2,435	2.1	0.2	
X4 MARRIAGE REGISTRATIONS								
<i>Unadjusted</i>	NUMBER	3,270	Oct	4,660	3,214	-29.8	1.7	3,422
<i>Seasonally Adjusted</i>		3,203		3,467	3,148	-7.6	1.7	
X5 CONSUMER PRICE INDEX (MILW.)								
<i>Unadjusted</i>	INDEX	303.1	Nov	302.4	287.5	0.2	5.4	280.1
X6 PRICES RECEIVED BY FARMERS								
<i>Unadjusted</i>	INDEX	142	Oct	142	142	0.0	0.0	145
<i>Seasonally Adjusted</i>		141		142	141	-0.7	0.0	
X7 NET GAIN IN RESIDENTIAL PHONE ACCESS LINES								
<i>Unadjusted</i>	NUMBER	747	Nov	399	617	87.2	21.1	1,031
<i>Seasonally Adjusted</i>		211		-402	81	152.5	160.5	
X8 TOTAL JOB OPENINGS REC.								
<i>Unadjusted</i>	NUMBER	4,406	Nov	5,088	5,228	-13.4	-15.7	7,686
<i>Seasonally Adjusted</i>		5,620		4,945	6,668	13.7	-15.7	
X9 MANUFACTURING EMPL.								
<i>Unadjusted</i>	THOUS.	479.2	Nov	489.2	535.3	-2.0	-10.5	543.8
<i>Seasonally Adjusted</i>		477.3		485.3	533.0	-1.6	-10.5	

P = Preliminary

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Unadjusted</i>					
CIVILIAN LABOR FORCE	2475.1	2483.4	2367.8	-0.3	4.5
Employment (Inc. Labor Disputes)	2203.0	2218.4	2190.7	-0.7	0.6
Unemployment	272.1	264.9	177.1	2.7	53.6
Unemployment Rate	11.0	10.7	7.5	-	-
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	2446.8	2454.5	2360.5	-0.3	3.7
Employment (Inc. Labor Disputes)	2164.4	2165.2	2170.8	0.0	-0.3
Unemployment	282.4	289.3	189.7	-2.4	48.9
Unemployment Rate	11.5	11.8	8.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1867.9	1878.2	1931.8	-0.5	-3.3
<i>Unadjusted</i>					
Manufacturing	478.6	488.5	534.6	-2.0	-10.5
Mining	2.0	2.1	2.1	-4.8	-4.8
Contract Construction	53.9	55.2	62.3	-2.4	-13.5
Transportation and Public Utilities	87.4	88.4	91.6	-1.1	-4.6
Elec., Gas and Sanitary Services	17.0	17.1	16.8	-0.6	1.2
Wholesale Trade	100.9	100.9	99.5	0.0	1.4
Retail Trade	335.8	334.6	344.1	0.4	-2.4
General Merchandise	47.0	45.8	48.7	2.6	-3.5
Finance, Insurance and Real Estate	97.3	97.5	96.4	-0.2	0.9
Banking	26.6	26.6	26.9	0.0	-1.1
Insurance	31.4	31.3	31.3	0.3	0.3
Service and Miscellaneous	385.4	388.2	378.4	-0.7	1.8
Hospitals	74.0	74.4	75.1	-0.5	-1.5
Private Education	25.8	25.7	25.3	0.4	2.0
Government	326.6	322.8	323.0	1.2	1.1
State Government	80.7	80.8	80.8	-0.1	-0.1
Local Government	218.2	214.3	214.7	1.8	1.6

UNITED STATES LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	111,019	110,644	109,272	0.3	1.6
Employment	99,032	99,093	100,172	-0.1	-1.1
Unemployment	11,987	11,551	9,100	3.8	31.7
Unemployment Rate	10.8	10.4	8.3	-	-

MANUFACTURING EMPLOYMENT (Unadjusted) NOVEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	478.6	488.5	534.6
All Manufacturing (Excluding Canning)	466.6	471.2	524.5
Durable Goods	292.0	296.2	344.6
Lumber and Wood Prod., (Except Furniture)	19.1	19.2	18.6
Sawmills and Planning Mills	2.5	2.5	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.7	8.8	8.8
Furniture and Fixtures	8.3	8.4	9.1
Household Furniture	3.9	3.8	4.1
Stone, Clay and Glass Products	7.0	7.3	8.0
Concrete, Gypsum and Plaster Products	3.1	3.4	3.7
Primary Metal Industries	17.3	17.2	25.0
Iron and Steel Foundries	9.7	9.4	14.9
Fabricated Metal Products	47.3	47.5	55.9
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.4	5.4	5.5
Fabricated Structural Metal Products	11.0	11.2	13.7
Metal Stampings	11.9	12.2	15.6
Machinery (Except Electrical)	97.2	97.5	119.6
Engines and Turbines	20.5	20.5	23.8
Farm Machinery and Equipment	14.8	15.0	16.3
Const., Min. & Material Handling Mach. & Equip.	11.9	11.7	18.5
Metalworking Machinery and Equipment	10.2	10.5	12.7
Special Industry Machinery (Except Metalworking)	9.9	10.0	11.8
General Industrial Machinery and Equipment	13.1	12.6	17.1
Service Industry Machines	7.4	7.6	8.2
Electrical Machinery, Equipment and Supplies	48.1	48.3	53.9
Electrical Industrial Apparatus	17.0	17.2	21.1
Household Appliances	6.6	6.6	6.3
Transportation Equipment	28.2	30.5	31.5
Motor Vehicles and Equipment	23.1	25.1	23.4
Instruments and Related Products	10.0	10.4	12.0
Miscellaneous Manufacturing	9.6	9.8	10.9
Nondurable Goods	186.6	192.3	190.0
Food and Kindred Products	64.3	69.5	63.1
Meat Products	13.5	13.2	13.8
Dairy Products	16.7	17.1	16.5
Canning and Preserving	11.9	17.3	10.1
Bakery Products	4.5	4.5	4.5
Beverage Industries	11.0	10.8	11.2
Textile Mill Products	4.1	4.4	3.9
Knitting Mills	3.4	3.6	3.2
Apparel and Other Finished Products	5.9	5.9	6.5
Paper and Allied Products	46.3	46.5	48.1
Pulp and Paper Mills	29.3	29.4	30.3
Converted Paper and Paperboard Products	9.0	9.0	9.5
Paperboard Containers and Boxes	6.9	6.9	7.1
Printing, Publishing and Allied Industries	31.9	31.7	32.1
Newspapers	10.6	10.5	10.8
Commercial Printing	12.6	12.6	12.5
Chemicals and Allied Products	9.5	9.6	9.9
Rubber and Misc. Plastics Products	15.9	15.9	16.8
Miscellaneous Plastics Products	12.1	12.0	12.8
Leather and Leather Products	8.4	8.5	9.1
Leather Tanning and Finishing	2.4	2.4	2.5
Footwear (Except Rubber)	4.4	4.5	4.7
Other Nondurable Goods	0.3	0.3	0.3

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) NOVEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	\$385	\$375	\$367	40.1	39.4	40.2
All Manufacturing (Excl. Canning)	391	384	370	40.2	39.7	40.3
Durable Goods	394	386	373	39.9	39.3	40.0
Lumber/Wood Prod. (Exc. Furn.)	277	275	251	39.5	39.4	38.1
Furniture and Fixtures	285	270	271	40.2	38.5	40.2
Stone, Clay and Glass Products	376	386	346	41.9	42.3	41.0
Primary Metal Industries	370	354	370	38.8	38.0	39.9
Iron and Steel Foundries	369	365	360	38.4	39.1	39.7
Fabricated Metal Products	394	376	365	40.5	39.2	40.0
Fab. Structural Metal Prod.	405	377	356	42.8	39.9	41.3
Metal Stampings	358	355	382	37.7	38.0	39.0
Machinery (Except Electrical)	445	434	423	39.9	39.2	40.8
Engines and Turbines	479	468	454	39.2	38.6	40.7
Farm Machinery and Equip.	498	486	453	41.1	40.2	41.2
Const. and Related Mach.	453	431	433	39.7	38.5	40.2
Metalworking Mach. and Equip.	405	410	418	38.7	39.0	40.8
Spec. Ind. Mach. (Exc. Metal)	455	454	412	42.7	42.8	42.1
Gen. Industrial Mach. and Equip.	458	440	431	39.9	38.8	39.9
Electrical Mach., Equip. and Supp.	360	351	339	39.6	38.7	39.5
Electrical Industrial Apparatus	385	380	369	39.0	38.5	40.4
Transportation Equipment	511	512	455	41.3	41.3	39.7
Instruments and Related Prod.	303	282	299	36.4	35.3	39.9
Nondurable Goods	371	359	355	40.2	39.7	40.6
Food and Kindred Products	357	332	355	39.2	38.3	39.5
Meat Products	403	394	405	39.9	39.0	38.7
Dairy Products	356	356	337	40.1	40.2	40.4
Textile Mill Products	233	245	233	38.0	38.7	37.3
Apparel and Other Fin. Prod.	205	198	190	37.5	37.3	36.7
Paper and Allied Products	454	449	428	44.4	43.9	44.9
Pulp and Paper Mills	478	479	450	44.9	44.7	45.6
Printing, Pub. and Allied Prod.	405	407	384	38.2	38.5	39.3
Chemicals and Allied Products	406	401	375	40.4	39.9	39.1
Rubber and Misc. Plastics Prod.	309	307	286	39.2	39.1	39.1
Leather and Leather Products	247	239	228	37.8	36.9	38.7

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted)	Average Hourly Earnings			Average Hourly Earnings		
	Including O.T.			Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
NOVEMBER						
All Manufacturing (Incl. Canning)	9.62	9.51	9.12	9.34	9.26	8.85
All Manufacturing (Excl. Canning)	9.72	9.67	9.18	9.44	9.41	8.91
Durable Goods	9.88	9.83	9.32	9.68	9.65	9.12
Lumber/Wood Prod. (Exc. Furn.)	7.03	6.99	6.59	6.96	6.96	6.45
Furniture and Fixtures	7.08	7.01	6.75	-	-	-
Stone, Clay and Glass Products	8.99	9.13	8.43	8.83	8.94	8.24
Primary Metal Industries	9.53	9.31	9.28	9.25	9.18	9.01
Iron and Steel Foundries	9.62	9.34	9.07	9.28	9.16	8.80
Fabricated Metal Products	9.73	9.59	9.14	9.43	9.33	8.81
Fab. Structural Metal Prod.	9.45	9.45	8.61	9.23	9.24	8.34
Metal Stampings	9.47	9.34	9.80	9.38	9.25	9.54
Machinery (Except Electrical)	11.16	11.07	10.37	11.01	10.94	10.18
Engines and Turbines	12.20	12.12	11.16	12.06	12.04	10.95
Farm Machinery and Equip.	12.11	12.10	10.98	11.89	11.90	10.83
Const. and Related Mach.	11.41	11.20	10.77	11.23	11.10	10.61
Metalworking Mach. and Equip.	10.46	10.54	10.24	10.43	10.40	10.02
Spec. Ind. Mach. (Exc. Metal)	10.65	10.59	9.78	10.39	10.35	9.48
Gen. Industrial Mach. and Equip.	11.48	11.32	10.81	11.36	11.18	10.66
Electrical Mach., Equip. and Supp.	9.10	9.07	8.57	8.99	8.96	8.42
Electrical Industrial Apparatus	9.86	9.88	9.12	9.78	9.78	8.95
Transportation Equipment	12.39	12.40	11.46	11.89	11.95	11.24
Instruments and Related Prod.	8.31	7.98	7.50	-	-	7.41
Nondurable Goods	9.22	9.04	8.74	8.80	8.63	8.33
Food and Kindred Products	9.10	8.66	8.97	8.63	8.22	8.52
Meat Products	10.09	10.09	10.46	9.55	9.57	10.03
Dairy Products	8.87	8.84	8.33	8.52	8.49	7.99
Textile Mill Products	6.13	6.33	6.36	6.07	6.18	6.02
Apparel and Other Fin. Prod.	5.47	5.33	5.19	5.37	5.25	5.09
Paper and Allied Products	10.24	10.23	9.53	9.77	9.74	9.04
Pulp and Paper Mills	10.65	10.70	9.88	10.13	10.16	9.34
Printing, Pub. and Allied Prod.	10.59	10.58	9.76	-	-	-
Chemicals and Allied Products	10.04	10.04	9.59	9.89	9.88	9.45
Rubber and Misc. Plastics Prod.	7.87	7.85	7.31	7.65	7.67	7.08
Leather and Leather Products.	6.53	6.48	5.90	6.45	6.43	5.81

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) NOVEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	\$338	\$334	\$326	39.2	39.0	39.7	8.62	8.56	8.20	-	-
Wisconsin	385	375	367	40.1	39.4	40.2	9.62	9.51	9.12	9.34	9.26
<i>Selected Areas</i>											
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	380	371	362	41.7	41.5	41.7	9.11	8.94	8.68	8.79	8.65
Beloit (City)	424	404	348	44.3	42.8	40.6	9.58	9.43	8.58	9.24	9.20
Eau Claire (Eau Claire-Chippewa)	372	369	360	41.0	39.8	41.2	9.07	9.28	8.74	8.79	8.90
Fond du Lac (County)	334	307	366	40.6	37.4	43.3	8.24	8.22	8.46	8.08	8.03
Green Bay (Brown County)	417	412	389	41.6	41.3	41.6	10.02	9.97	9.34	9.47	9.41
Janesville (City)	421	442	418	38.1	38.5	38.9	11.06	11.48	10.74	-	11.46
Janesville-Beloit (Rock County)	382	394	366	40.2	39.7	40.0	9.50	9.90	9.15	9.36	9.82
Kenosha (County)	504	501	409	42.1	41.3	38.5	11.99	12.12	10.62	11.22	11.30
La Crosse (County)	347	342	327	39.3	39.0	39.7	8.85	8.76	8.23	8.50	8.46
Madison (Dane County)	354	365	337	38.4	39.1	38.0	9.22	9.35	8.88	8.98	9.05
Manitowoc (County)	294	277	304	36.8	36.2	39.7	7.99	7.65	7.65	7.89	7.58
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	427	413	405	40.0	39.0	40.3	10.68	10.59	10.06	10.40	10.33
Racine (County)	405	406	392	39.6	39.9	40.1	10.24	10.19	9.77	10.06	9.97
Sheboygan (County)	358	352	335	29.6	39.4	37.8	9.03	8.94	8.86	8.88	8.78
Wausau (Marathon County)	383	392	383	41.4	41.7	43.0	9.27	9.38	8.91	8.99	9.06

EMPLOYMENT, MFG. (Unadjusted) NOVEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	18,302.0	18,495.0	20,025.0	-1.0	-8.6
Wisconsin	478.6	488.5	534.6	-2.0	-10.5
<i>Selected Areas</i>					
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	42.3	42.9	46.7	-1.4	-9.4
Beloit (City)	6.1	6.2	7.4	-1.6	-17.6
Eau Claire (Eau Claire-Chippewa)	8.7	8.6	9.0	1.2	-3.3
Fond du Lac (County)	10.1	10.6	10.4	-4.7	-2.9
Green Bay (Brown County)	21.5	21.8	21.8	-1.4	-1.4
Janesville (City)	7.3	8.6	7.5	-15.1	-2.7
Janesville-Beloit (Rock County)	15.6	17.2	17.0	-9.3	-8.2
Kenosha (County)	16.9	17.0	16.8	-0.6	0.6
La Crosse (County)	9.8	9.9	10.2	-1.0	-3.9
Madison (Dane County)	19.0	19.1	20.6	-0.5	-7.8
Manitowoc (County)	10.8	11.0	13.9	-1.8	-22.3
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	164.1	165.2	192.3	-0.7	-14.7
Racine (County)	22.6	22.6	27.1	0.0	-16.6
Sheboygan (County)	17.3	17.6	18.0	-1.7	-3.9
Wausau (Marathon County)	10.4	10.5	11.4	-1.0	-8.8

2 + 2 = 5 : THE NEW LABOR MARKET STATISTICS

by Hartley J. Jackson and Joseph Tumpach, Jr.

Adding apples and oranges just doesn't go in fourth grade math class. But that is what labor market statisticians do once every ten years; or rather, they do something which, at first glance, seems equally incompatible. That task is the job of reconciling two different employment and unemployment estimating methods.

In the past, Wisconsin's Department of Industry, Labor and Human Relations relied on the "handbook" method of estimating; a method based predominantly on unemployment compensation claims. Comparisons between the 1970 Census and the state prepared handbook estimates of state employment and unemployment lead to significant improvements in methodology.

The study of the 1970 Census and the handbook estimates disclosed that states like Wisconsin with liberal unemployment compensation benefits were overestimating unemployment. While we were overestimating by about 15 percent, conservative states like Texas were underestimating their unemployment. As a result of the study, state handbook data is now benchmarked to state returns from the national Current Employment Statistics monthly household survey.

Rebenchmarking based upon the 1980 Census could result in lowering Wisconsin's unemployment rate. The rate would not be adjusted to the historic one percent point below the national rate, but it may put our unemployment rate at or below the nation's for months which we now believe are above the nation's rate.

The Bureau of Labor Statistics is planning major improvements in the estimates based upon the 1980 Census. They intend to improve the design of the national monthly household survey so that the sample will statistically represent

the individual states. They also intend to improve upon the old "handbook" methodology. These improvements are being delayed by budget cutbacks. We hope that comparisons between the 1980 Census and state prepared Labor Area Statistics (LAUS) estimates for sub-state areas will lead to further improvements in methodology.

LEVEL VS TREND

The major concern at this time is with the accuracy of the total number of employed and total number of unemployed, and not with the accuracy of the trends shown through the month-to-month changes. The handbook methodology is based upon surveys of employers to estimate nonfarm wage and salary employment, and it is based upon changes in claims to show changes in total unemployment. The month-to-month changes will be relatively accurately reflected by this method. However, in a few years, the total estimates could drift away from their actual level.

The month-to-month changes are the most useful in judging whether an area's economy is improving or getting worse. The total level is most useful in comparing one area to another. Both of these comparisons are important in business and in politics, but the total level is used in allocating federal funds and in determining preferential treatment for government contracts. The Bureau of Labor Statistics is responsible for the methods used by all states, to insure uniform methods for the statistics used for allocating funds.

RANDOM VS SYSTEMATIC ERRORS

There are many possible causes of random error in comparing Census with LAUS estimates. The Census data is based upon a one percent sample, which can have large errors, especially in small coun-

ties. The Census is gathered over a longer period of time; the LAUS estimates refer to the mid-week of the month, and estimates will vary from week to week. Self-enumeration may cause some errors in the Census. Similarly, the LAUS employer survey is subject to random error, and claims counts may provide a better representation of employment in some weeks than in others. Not much can be done about these random errors, and they make it more difficult to identify systematic errors.

Systematic errors are errors that have some identifiable cause.

Systematic errors may be due to socio-economic changes which cannot now be measured. As an example, Burnett County's 1970 Census showed a very large number of people living in the county and working in Minnesota. The Census is the only nationally available source of this data needed to adjust from establishment counts to place of residence. We suspect that the 1980 Census will show a socio-economic change, with a smaller proportion of the residents working in Minnesota, thus accounting for part of the error.

Systematic errors may be procedural. The estimates for the Standard Metropolitan Statistical Areas (SMSA) are better than the estimates for smaller counties. Samples in these counties are better which may reduce their random er-

ror, but these counties also have a thorough rebenchmarking every year. It may well be that errors in other areas could be reduced through more careful rebenchmarking and rebenchmarking more often. This year, there will be no rebenchmarking outside of the SMSA's due to problems with the UC covered employment data as well as reduced staffing. We must assume responsibility for identifying and correcting procedural errors.

Systematic errors may also be methodological. The Bureau of Labor Statistics is responsible for these methods. As their funds permit, they will be doing statistical studies using the 1980 Census to try to improve these substate estimates. The Bureau has the advantage and the disadvantage of over 3,000 areas of study. We may be able to help because we have fewer areas to study.

There are very large differences in estimates of unemployment in some of the smaller counties. It is possible that, by examining 1980 detailed claims and job applicant data, we might discover either a procedural or a methodological source of error which we could correct or ask the Bureau of Labor Statistics to correct.

Because of the budget reductions in statistical programs and resulting delays in the Census, we expect that benchmarking to this 1980 Census data will be delayed until January 1984.

	1980 Census	LAUS	Difference	% Diff.
Labor Force	2,263,413	2,326,646	-63,233	-2.79%
Employed	2,114,473	2,164,185	-49,712	-2.35%
Unemployed	148,940	162,461	-13,521	-9.07%
Rate	6.58%	6.98%		

You can make an unofficial and approximate adjustment to current estimates using the ratio between the April 1980 LAUS and Census estimates.

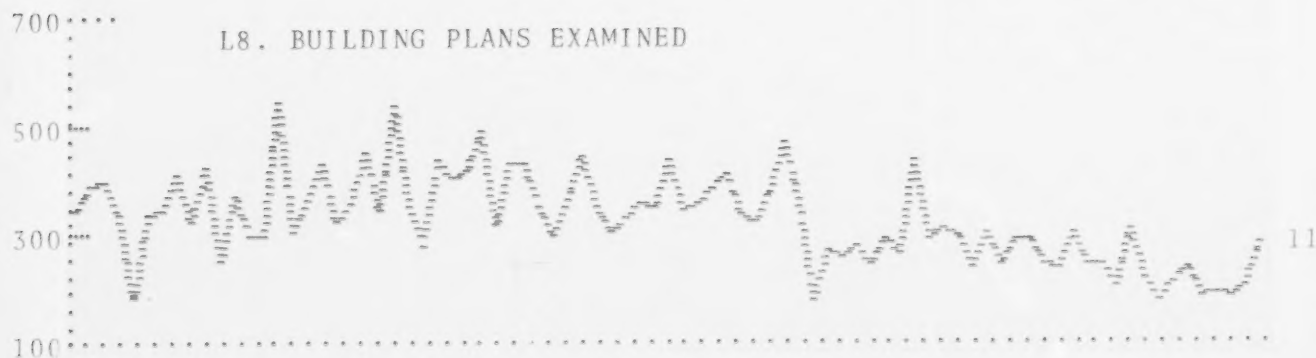
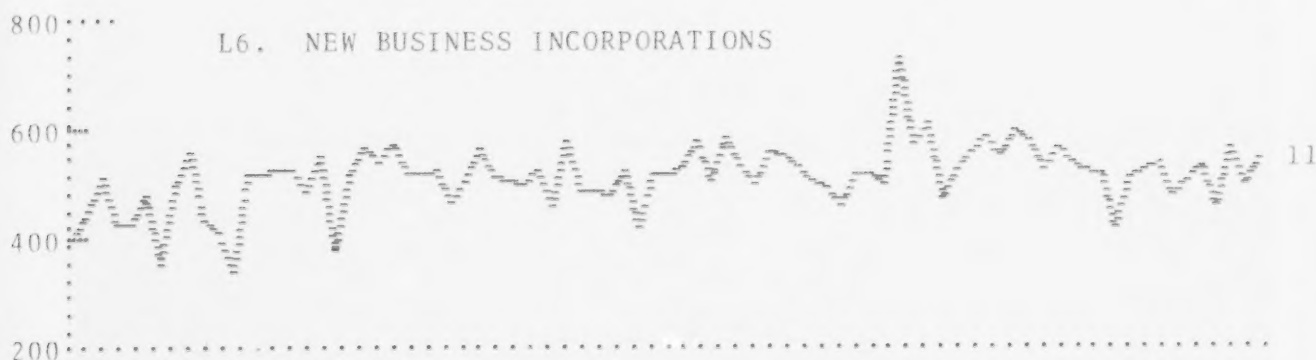
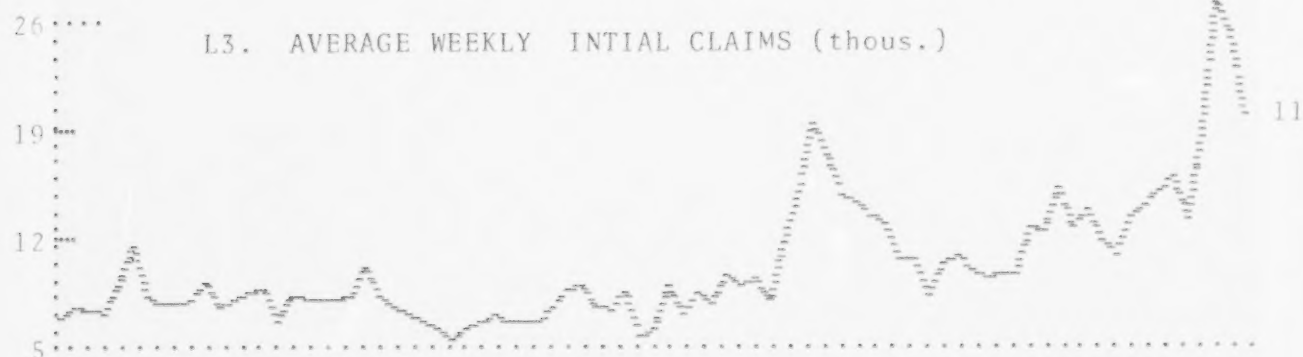
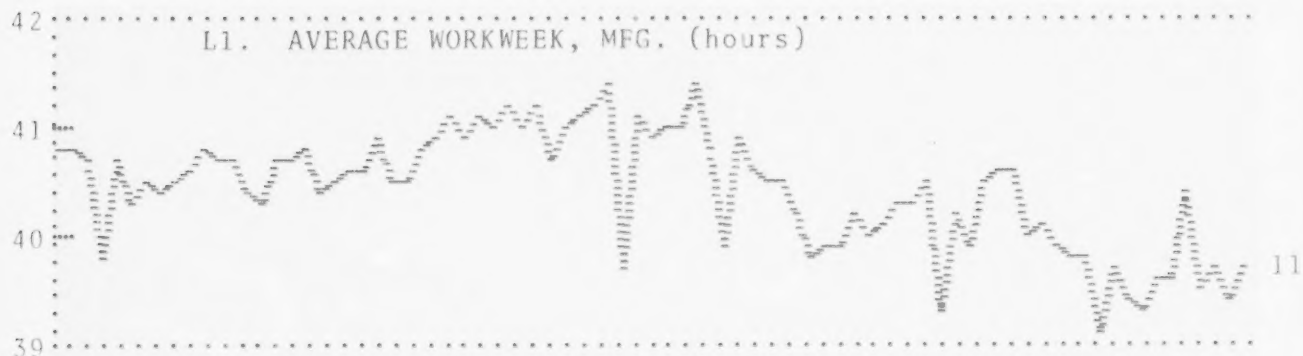
LABOR FORCE ESTIMATES, APRIL 1980

<u>County</u>	<u>1980 Census</u>	<u>DILHR Est.</u>	<u>Dif.</u>
Adams	5306	6500	1194
Ashland	6808	7900	1092
Barron	17112	19500	2388
Bayfield	5610	4700	-910
Brown	84078	86300	2222
Buffalo	6408	6900	492
Burnett	4676	5200	524
Calumet	15162	15900	738
Chippewa	22355	22700	345
Clark	14101	15200	1099
Columbia	20429	22500	2071
Crawford	7243	7600	357
Dane	178136	176300	-1836
Dodge	34810	36500	1690
Door	11562	13700	2138
Douglas	19394	19100	-294
Dunn	15171	19000	3829
Eau Claire	37615	33500	-4115
Florence	1679	1860	181
Fond du Lac	42565	44100	1535
Forest	3273	3000	-273
Grant	23313	27900	4587
Green	15864	16400	536
Green Lake	8388	8800	412
Iowa	9291	9800	509
Iron	2589	2800	211
Jackson	7291	7000	-281
Jefferson	31956	33500	1544
Juneau	8853	9300	447
Kenosha	59625	59700	75
Kewaunee	9028	8000	-1028
LaCrosse	45751	46600	849
Lafayette	8064	7900	-164

<u>County</u>	<u>1980 Census</u>	<u>DILHR Est.</u>	<u>Dif.</u>
Langlade	8160	9000	840
Lincoln	11774	11400	-374
Manitowoc	40000	41100	1100
Marathon	53172	52900	-272
Marinette	16091	19200	3109
Marquette	4838	4300	-538
Menomonee	1048	1910	862
Milwaukee	478184	486500	8316
Monroe	15339	17900	2561
Oconto	12159	12400	241
Oneida	13749	14400	651
Outagamie	61157	63600	2143
Ozaukee	34468	34300	-168
Pepin	3236	3100	-136
Pierce	14999	16300	1301
Polk	14035	14900	865
Portage	26960	31200	4240
Price	6070	6600	530
Racine	84330	85500	1170
Richland	8105	8000	-105
Rock	66916	67800	884
Rusk	6470	7000	530
St. Croix	20762	23600	2838
Sauk	20701	18500	-2201
Sawyer	4939	4700	-239
Shawano	15472	18800	3328
Sheboygan	49840	52100	2260
Taylor	8198	9100	902
Trempealeau	11659	12400	741
Vernon	11631	12000	369
Vilas	6682	6700	18
Walworth	34727	38200	3473
Washburn	5208	5400	192
Washington	42044	43200	1156
Waukesha	142774	141100	-1674

(Continued on back cover)

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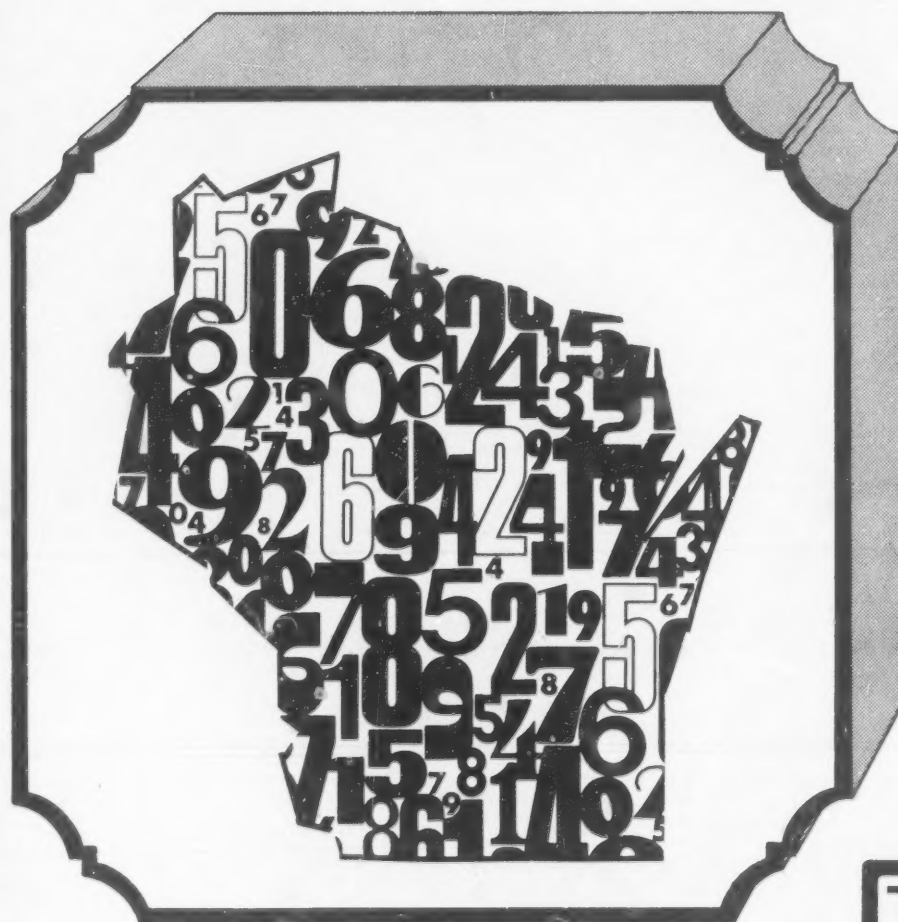
DETACH THIS BACK PAGE, MAKE SURE THE MAILING LABEL LOCATED AT THE TOP OF THIS PAGE IS INCLUDED AND RETURN TO: WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS, BOX 7944, MADISON, WI., 53707

(Continued from Page 12)

<u>County</u>	<u>1980 Census</u>	<u>DILHR Est.</u>	<u>Dif.</u>
Waupaca	18825	17900	-925
Waushara	7651	7900	249
Winnebago	65134	65700	566
Wood	33430	34400	970
State Total L.F.	2263413	2326600	63187
Empl	2114473	2164200	49727
Unempl	148940 (6.6%)	162500 (7.0%)	13560

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WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS



JANUARY 1983



WISCONSIN DATA AND SOURCES

INDICATOR		SOURCE
L1	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L2	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L4	Business Failures (Dollars)	Dun & Bradstreet, Inc.
L5	Business Failures (Number)	Dun & Bradstreet, Inc.
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR DECEMBER

WISCONSIN'S EMPLOYMENT LEVEL DECREASED BY OVER 40 THOUSAND WORKERS, WHILE UNEMPLOYMENT REACHED A RECORD 300,900 JOBLESS WORKERS. THE RESULTING 12.2 PERCENT UNEMPLOYMENT RATE IS THE HIGHEST ON RECORD. MUCH OF THE DETERIORATION IN EMPLOYMENT IS SEASONALLY RELATED. SOMEWHAT KEEPING THE RATE DOWN IS THE EXIT FROM THE LABOR FORCE BY MANY OF THE UNEMPLOYED.

LEADING INDICATORS ARE MIXED AND AS YET ARE GIVING NO CONCERTED STRONG HINTS OF RECOVERY.

WISCONSIN LABOR FORCE

Employment in Wisconsin plunged by 41,400 during the November to December period. Much of that employment loss, however, is seasonally normal. The employment trend as shown by seasonally adjusted data is down by 9,300 employed workers. A post-Holiday employment loss prevails each year. In the past three years, that loss ranged from 60 to over 80 thousand. Slow Christmas sales may have pushed part of that employment drop into the December statistics, which are collected in the first part of the month.

Unemployment in December increased to the highest level on record (which goes back to 1970). The 300,900 jobless workers in December are an increase of 26,200 from the previous month. The unemployment increase doesn't match the drop in employment because many unemployed left the labor force. December's labor force shrank by 15,200 people. Seasonally adjusting the unemployment figures reveals a trend for December that is up by 5,300 unemployed.

The resulting unemployment rate for December's unadjusted figures is a record 12.2 percent. That's up from 11.1 percent of one month earlier. The seasonally adjusted trend is a 11.7 percent for December; up from 11.5 in November.

LEADING INDICATORS

The average work week in manufacturing rose to 40.2 hours. The December average is the highest posted in 1982. December's hours average is usually high, however, and when adjusted for seasonal factors, there is a slight downward trend.

A drop in the overtime hours during December was slight; to 2.3 from 2.4 per week. The decrease, however, is contrary to normal seasonal trends. Overtime usually increases in December. Thus, the seasonally adjusted figures decreased from 2.4 to 2.1 hours. The overtime decrease contributed to the slight downward trend of the workweek.

Average weekly initial claims for unemployment compensation increased to nearly 26 thousand. December's average is the largest per-week average for any month in 1982. But, when adjusted for seasonal factors, the initial claim average trend is down. This series, on a seasonally adjusted basis, has been trending downward since September.

New business incorporations increased by 147 to a total of 614 in December. December's incorporations are the largest number since early 1981. Incorporations do normally increase in December, but this month's increase is larger than the normal November-to-December trend.

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR		UNIT		MONTHLY SERIES			% CHANGE		AVG.	
				Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
LEADING INDICATORS										
L1	AVG. WORK WEEK, MFG.									
	Unadjusted	HOURS	40.2	Dec	40.0	40.4	0.5	-0.5		40.1
	Seasonally Adjusted		39.4		39.6	39.6	-0.5	-0.5		
L2	AVG. OVERTIME HOURS, MFG.									
	Unadjusted	HOURS	2.3	Dec	2.4	2.6	-4.2	-11.5		2.7
	Seasonally Adjusted		2.1		2.4	2.4	-12.5	-12.5		
L3	AVG. WEEKLY INITIAL CLAIMS									
	Unadjusted	NUMBER	25,951	Dec	23,792	20,046	9.1	29.5		11,275
	Seasonally Adjusted		18,084		19,712	13,971	-8.3	29.4		
L4	BUSINESS FAILURES									
	Unadjusted	THOUS.	3,252	Dec81	4,998	2,719	-34.9	19.6		-
	Seasonally Adjusted	DOL.	4,342		5,069	3,629	-14.3	19.6		
L5	BUSINESS FAILURES									
	Unadjusted	NUMBER	25	Dec81	16	18	56.2	38.9		-
	Seasonally Adjusted		24		19	17	26.3	41.2		
L6	NEW BUSINESS INCORPORATIONS									
	Unadjusted	NUMBER	614	Dec	467	543	31.5	13.1		550
	Seasonally Adjusted		593		549	525	8.0	13.0		
L7	NET GAIN IN BUSINESS PHONE ACCESS LINES									
	Unadjusted	NUMBER	-1451	Dec	-626	-755	-131.8	-92.3		692
	Seasonally Adjusted		-827		476	-131	-273.7	-531.3		
L8	BUILDING PLANS EXAMINED									
	Unadjusted	NUMBER	183	Dec	294	246	-37.8	-25.6		276
	Seasonally Adjusted		187		291	251	-35.7	-25.5		
ROUGHLY COINCIDENT INDICATORS										
C1	HELP-WANTED INDEX (MILW.)									
	Seasonally Adjusted	INDEX	37	Dec	31	46	19.4	-19.6		51
C2	UNEMPLOYMENT RATE, TOTAL									
	Unadjusted	PERCENT	12.2	Dec	11.1	8.7	-	-		7.8
	Seasonally Adjusted		11.7		11.5	8.5	-	-		
C3	NATURAL GAS SALES									
	Unadjusted	MIL.	299.4	Nov	188.9	288.8	58.5	3.7		258.3
	Seasonally Adjusted	THERMS	273.2		223.0	263.5	21.5	3.7		
C4	NEW CAR REGISTRATIONS									
	Unadjusted	NUMBER	9,227	Dec	14,218	9,037	-35.1	2.1		13,764
	Seasonally Adjusted		10,718		15,771	10,495	-32.0	2.1		
C5	ELECTRIC POWER SALES									
	Unadjusted	MIL. KWH	1698.0	Nov	1662.6	1684.6	2.1	0.8		1712.7
	Seasonally Adjusted		1711.7		1634.8	1697.5	4.7	0.8		

P = Preliminary

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1981
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	40.1	Dec	198.6	51.9	-79.8	-22.7	46.3
Seasonally Adjusted		44.7		283.3	57.8	-84.2	-22.7	
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,290	Sep	4,219	4,167	1.7	3.0	4,060
Seasonally Adjusted		4,273		4,266	4,152	0.2	2.9	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	387.61	Dec	385.77	372.90	0.5	3.9	352.54
Seasonally Adjusted		374.86		377.84	360.64	-0.8	3.9	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	426.5	Sep	452.3	395.0	-5.7	8.0	414.4
Seasonally Adjusted		441.1		441.3	408.7	0.0	7.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	48.1	Dec	54.1	57.1	-11.1	-15.8	60.9
Seasonally Adjusted		49.0		50.7	58.2	-3.4	-15.8	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,175	Nov	5,798	5,390	6.5	14.6	6,047
Seasonally Adjusted		6,604		5,735	5,767	15.2	14.5	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,377	Nov	3,258	3,362	3.7	0.4	3,351
Seasonally Adjusted		3,377		3,308	3,362	2.1	0.4	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,798	Nov	2,540	2,028	10.2	38.0	2,696
Seasonally Adjusted		3,303		2,440	2,393	35.4	38.0	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	2,537	Nov	3,270	2,669	-22.4	-4.9	3,422
Seasonally Adjusted		3,343		3,203	3,514	4.4	-4.9	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	303.1	Nov	(Sep) 302.4	287.5	0.2	5.4	280.1
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	139	Dec	141	138	-1.4	0.7	145
Seasonally Adjusted		139		139	138	0.0	0.7	
X7 NET GAIN IN RESIDENTIAL PHONE ACCESS LINES								
Unadjusted	NUMBER	-782	Dec	747	-558	-204.7	-40.1	1,031
Seasonally Adjusted		-628		211	-404	-397.6	-55.4	
X8 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	4,391	Dec	4,406	4,777	-0.3	-8.1	7,686
Seasonally Adjusted		6,593		5,620	7,173	17.3	-8.1	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	466.4	Dec	478.2	526.4	-2.5	-11.4	543.8
Seasonally Adjusted		466.4		476.3	526.6	-2.1	-11.4	

P = Preliminary

B**LABOR FORCE ESTIMATES**

WISCONSIN LABOR FORCE ESTIMATES DECEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Unadjusted</i>					
CIVILIAN LABOR FORCE	2461.6	2476.8	2367.7	-0.6	4.0
Employment (Inc. Labor Disputes)	2160.7	2202.1	2162.1	-1.9	-0.1
Unemployment	300.9	274.7	205.6	9.5	46.4
Unemployment Rate	12.2	11.1	8.7	-	-
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	2439.9	2443.9	2365.8	-0.2	3.1
Employment (Inc. Labor Disputes)	2154.2	2163.5	2163.8	-0.4	-0.4
Unemployment	285.7	280.4	202.0	1.9	41.4
Unemployment Rate	11.7	11.5	8.5	-	-

WISCONSIN EMPLOYMENT ESTIMATES DECEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1848.3	1867.0	1912.8	-1.0	-3.4
<i>Unadjusted</i>					
Manufacturing	466.1	477.6	525.7	-2.4	-11.3
Mining	1.5	2.0	1.8	-25.0	-16.7
Contract Construction	48.1	54.1	57.1	-11.1	-15.8
Transportation and Public Utilities	86.1	87.0	90.4	-1.0	-4.8
Elec., Gas and Sanitary Services	16.9	17.0	16.8	-0.6	0.6
Wholesale Trade	100.8	100.9	99.4	-0.1	1.4
Retail Trade	337.8	335.7	341.4	0.6	-1.1
General Merchandise	48.6	47.0	50.4	3.4	-3.6
Finance, Insurance and Real Estate	97.6	97.3	96.4	0.3	1.2
Banking	26.8	26.6	26.9	0.8	-0.4
Insurance	31.4	31.3	31.3	0.3	0.3
Service and Miscellaneous	385.4	384.9	378.9	0.1	1.7
Hospitals	73.7	74.0	75.0	-0.4	-1.7
Private Education	25.5	25.8	24.5	-1.2	4.1
Government	325.1	327.5	321.7	-0.7	1.1
State Government	80.4	81.6	79.9	-1.5	0.6
Local Government	217.0	218.2	214.5	-0.5	1.2

UNITED STATES LABOR FORCE ESTIMATES DECEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	111,129	111,042	109,066	0.1	1.9
Employment	99,093	99,136	99,677	-0.0	-0.6
Unemployment	12,036	11,906	9,389	1.1	28.2
Unemployment Rate	10.8	10.7	8.6	-	-

MANUFACTURING EMPLOYMENT (Unadjusted) DECEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	466.1	477.6	525.7
All Manufacturing (Excluding Canning)	458.6	465.9	518.4
Durable Goods	286.0	291.4	340.0
Lumber and Wood Prod., (Except Furniture)	19.0	18.9	18.5
Sawmills and Planning Mills	2.5	2.5	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.6	8.7	8.4
Furniture and Fixtures	8.4	8.4	9.2
Household Furniture	4.0	3.9	4.1
Stone, Clay and Glass Products	6.5	7.0	7.5
Concrete, Gypsum and Plaster Products	2.6	3.1	3.3
Primary Metal Industries	17.0	17.3	24.0
Iron and Steel Foundries	9.6	9.7	14.2
Fabricated Metal Products	46.1	47.0	55.1
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.3	5.4	5.4
Fabricated Structural Metal Products	10.8	10.9	13.5
Metal Stampings	11.7	11.9	15.2
Machinery (Except Electrical)	92.6	96.2	118.0
Engines and Turbines	20.2	20.5	23.8
Farm Machinery and Equipment	12.0	14.1	16.0
Const., Min. & Material Handling Mach. & Equip.	11.7	11.8	17.8
Metalworking Machinery and Equipment	10.2	10.2	12.6
Special Industry Machinery (Except Metalworking)	9.6	9.9	11.6
General Industrial Machinery and Equipment	12.5	13.0	16.9
Service Industry Machines	7.3	7.4	8.1
Electrical Machinery, Equipment and Supplies	47.6	48.3	53.7
Electrical Industrial Apparatus	17.0	17.2	21.2
Household Appliances	6.1	6.6	6.2
Transportation Equipment	29.3	28.7	31.6
Motor Vehicles and Equipment	24.3	23.7	23.4
Instruments and Related Products	10.1	10.0	11.7
Miscellaneous Manufacturing	9.6	9.6	10.7
Nondurable Goods	180.0	186.2	185.6
Food and Kindred Products	58.7	63.9	59.8
Meat Products	13.3	13.5	13.6
Dairy Products	16.6	16.8	16.3
Canning and Preserving	7.4	11.7	7.3
Bakery Products	4.3	4.5	4.5
Beverage Industries	10.6	10.9	11.2
Textile Mill Products	3.8	4.0	3.9
Knitting Mills	3.0	3.4	3.1
Apparel and Other Finished Products	5.8	5.9	6.0
Paper and Allied Products	46.0	46.3	47.5
Pulp and Paper Mills	29.2	29.3	30.0
Converted Paper and Paperboard Products	8.8	9.0	9.2
Paperboard Containers and Boxes	6.9	6.9	7.1
Printing, Publishing and Allied Industries	31.8	31.8	32.2
Newspapers	10.7	10.6	10.8
Commercial Printing	12.6	12.6	12.7
Chemicals and Allied Products	9.5	9.5	9.8
Rubber and Misc. Plastics Products	15.9	15.9	16.8
Miscellaneous Plastics Products	11.9	12.1	12.7
Leather and Leather Products	8.3	8.4	9.2
Leather Tanning and Finishing	2.4	2.4	2.6
Footwear (Except Rubber)	4.3	4.4	4.8
Other Nondurable Goods	0.3	0.3	0.3

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted)	Average Weekly			Average Weekly		
	Earnings			Hours		
	Latest Month	Mo Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
DECEMBER						
All Manufacturing (Incl. Canning)	\$388	\$386	\$373	40.2	40.0	40.4
All Manufacturing (Excl. Canning)	390	391	375	40.3	40.2	40.5
Durable Goods	390	394	379	39.9	39.9	40.2
Lumber/Wood Prod. (Exc. Furn.)	277	276	253	39.3	39.2	38.0
Furniture and Fixtures	281	284	269	40.1	40.4	39.9
Stone, Clay and Glass Products	367	377	340	41.7	41.9	40.6
Primary Metal Industries	362	374	377	39.1	38.7	40.4
Iron and Steel Foundries	358	369	377	38.6	38.2	41.2
Fabricated Metal Products	388	395	362	39.9	40.5	39.3
Fab. Structural Metal Prod.	406	409	361	42.1	42.9	40.8
Metal Stampings	350	358	377	37.6	37.8	38.5
Machinery (Except Electrical)	434	444	430	39.6	39.9	41.0
Engines and Turbines	472	479	471	38.8	39.2	41.6
Farm Machinery and Equip.	446	497	455	38.6	41.2	40.9
Const. and Related Mach.	455	450	437	40.0	39.5	40.2
Metalworking Mach. and Equip.	411	406	433	38.8	38.8	41.0
Spec. Ind. Mach. (Exc. Metal)	473	454	424	44.5	42.5	43.1
Gen. Industrial Mach. and Equip.	434	456	434	38.8	39.9	40.1
Electrical Mach., Equip. and Supp.	367	361	345	40.0	39.5	40.2
Electrical Industrial Apparatus	398	387	373	39.9	39.2	40.8
Transportation Equipment	501	507	478	41.0	41.0	40.8
Instruments and Related Prod.	313	311	310	37.4	37.3	41.2
Nondurable Goods	384	372	361	40.6	40.3	40.7
Food and Kindred Products	372	359	371	38.9	39.2	39.9
Meat Products	394	405	412	38.5	39.8	39.2
Dairy Products	356	356	335	40.1	40.0	40.5
Textile Mill Products	248	237	244	37.7	38.2	38.0
Apparel and Other Fin. Prod.	209	204	191	36.5	36.8	36.5
Paper and Allied Products	456	457	423	44.6	44.6	44.3
Pulp and Paper Mills	485	482	450	45.6	45.1	45.3
Printing, Pub. and Allied Prod.	425	404	396	39.3	38.2	40.0
Chemicals and Allied Products	411	404	382	40.8	40.3	39.7
Rubber and Misc. Plastics Prod.	335	312	282	41.7	39.3	38.9
Leather and Leather Products	250	247	233	37.7	37.8	39.0

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) DECEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	9.65	9.64	9.23	9.38	9.36	8.92
All Manufacturing (Excl. Canning)	9.70	9.74	9.26	9.43	9.45	8.95
Durable Goods	9.78	9.89	9.42	9.60	9.69	9.17
Lumber/Wood Prod. (Exc. Furn.)	7.04	7.04	6.66	6.96	6.93	6.54
Furniture and Fixtures	7.00	7.04	6.74	-	-	6.70
Stone, Clay and Glass Products	8.82	9.01	8.38	8.68	8.85	8.22
Primary Metal Industries	9.27	9.65	9.32	9.01	9.27	9.06
Iron and Steel Foundries	9.28	9.65	9.16	9.10	9.31	8.93
Fabricated Metal Products	9.72	9.76	9.21	9.40	9.47	8.90
Fab. Structural Metal Prod.	9.64	9.53	8.87	9.43	9.31	8.63
Metal Stampings	9.32	9.47	9.78	9.23	9.38	9.56
Machinery (Except Electrical)	10.98	11.14	10.49	10.81	11.00	10.24
Engines and Turbines	12.15	12.20	11.33	12.05	12.06	10.97
Farm Machinery and Equip.	11.56	12.08	11.12	11.45	11.92	11.03
Const. and Related Mach.	11.39	11.38	10.85	11.14	11.20	10.64
Metalworking Mach. and Equip.	10.60	10.48	10.57	10.43	10.46	10.23
Spec. Ind. Mach. (Exc. Metal)	10.64	10.67	9.86	10.31	10.40	9.50
Gen. Industrial Mach. and Equip.	11.19	11.43	10.82	11.14	11.35	10.65
Electrical Mach., Equip. and Supp.	9.17	9.14	8.58	9.05	9.03	8.42
Electrical Industrial Apparatus	9.96	9.87	9.15	9.85	9.79	8.97
Transportation Equipment	12.23	12.35	11.71	11.97	11.93	11.35
Instruments and Related Prod.	8.37	8.34	7.53	8.34	-	7.45
Nondurable Goods	9.46	9.25	8.88	9.04	8.82	8.44
Food and Kindred Products	9.56	9.15	9.31	9.09	8.68	8.79
Meat Products	10.24	10.16	10.51	9.71	9.63	9.93
Dairy Products	8.87	8.90	8.28	8.55	8.54	7.93
Textile Mill Products	6.59	6.22	6.41	6.50	6.15	6.19
Apparel and Other Fin. Prod.	5.72	5.53	5.22	5.64	5.41	5.11
Paper and Allied Products	10.23	10.25	9.54	9.77	9.76	9.06
Pulp and Paper Mills	10.63	10.67	9.92	10.13	10.12	9.40
Printing, Pub. and Allied Prod.	10.83	10.58	9.88	-	-	-
Chemicals and Allied Products	10.07	10.02	9.61	9.88	9.89	9.45
Rubber and Misc. Plastics Prod.	8.04	7.94	7.26	7.90	7.73	7.03
Leather and Leather Products.	6.64	6.53	5.99	6.50	6.45	5.88

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) DECEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	\$345	\$338	\$330	39.7	39.3	39.9	8.69	8.61	8.27	-	-
Wisconsin	388	386	373	40.2	40.0	40.4	9.65	9.64	9.23	9.38	9.36
<i>Selected Areas</i>											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	383	383	368	42.0	41.8	42.1	9.12	9.16	8.75	8.81	8.82
Beloit (City)	433	427	355	45.2	44.0	41.5	9.59	9.72	8.55	9.25	9.38
Eau Claire (Eau Claire-Chippewa)	382	373	347	42.3	41.1	40.8	9.04	9.08	8.50	8.82	8.80
Fond du Lac (County)	325	334	369	39.7	40.6	43.2	8.18	8.24	8.53	8.08	8.09
Green Bay (Brown County)	427	418	398	42.0	41.8	42.0	10.18	10.00	9.48	9.64	9.45
Janesville (City)	452	421	437	39.4	38.1	38.9	11.48	11.06	11.22	11.39	-
Janesville-Beloit (Rock County)	407	382	376	41.3	40.2	40.5	9.86	9.51	9.28	9.70	9.36
Kenosha (County)	486	504	435	41.7	42.1	39.6	11.68	11.99	10.99	11.29	11.22
La Crosse (County)	346	347	329	40.5	39.3	39.3	8.54	8.85	8.37	7.87	8.50
Madison (Dane County)	372	359	347	39.4	38.9	38.6	9.43	9.24	9.00	9.14	8.99
Manitowoc (County)	300	294	309	37.3	36.8	40.1	8.04	8.00	7.71	7.91	7.90
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	426	427	413	39.8	40.0	40.7	10.71	10.68	10.16	10.43	10.43
Racine (County)	378	405	388	39.2	39.6	39.6	9.64	10.23	9.81	9.43	10.06
Sheboygan (County)	365	362	333	39.5	39.7	37.3	9.26	9.13	8.95	9.07	8.88
Wausau (Marathon County)	374	377	374	40.8	40.6	42.4	9.18	9.27	8.83	8.86	8.96

EMPLOYMENT, MFG. (Unadjusted) DECEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	18,161.0	18,298.0	19,705.0	-0.7	-7.8
Wisconsin	466.1	477.6	525.7	-2.4	-11.3
<i>Selected Areas</i>					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	41.6	42.1	46.1	-1.2	-9.8
Beloit (City)	6.0	6.1	7.3	-1.6	-17.8
Eau Claire (Eau Claire-Chippewa)	8.4	8.7	9.0	-3.4	-6.7
Fond du Lac (County)	10.0	10.1	10.6	-1.0	-5.7
Green Bay (Brown County)	20.8	21.5	21.4	-3.3	-2.8
Janesville (City)	8.6	7.3	7.3	17.8	17.8
Janesville-Beloit (Rock County)	16.9	15.6	16.8	8.3	0.6
Kenosha (County)	16.6	16.9	16.0	-1.8	3.8
La Crosse (County)	9.7	9.8	10.2	-1.0	-4.9
Madison (Dane County)	18.1	19.0	20.2	-4.7	-10.4
Manitowoc (County)	10.8	10.8	13.3	0.0	-18.8
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	160.5	163.4	191.1	-1.8	-16.0
Racine (County)	20.3	22.6	26.5	-10.2	-23.4
Sheboygan (County)	16.7	17.0	17.5	-1.8	-4.6
Wausau (Marathon County)	10.2	10.4	11.2	-1.9	-8.9

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson
Department of Revenue

After three years of economic recession and stagnation, record levels of unemployment are expected to slowly recede as an initially weak national recovery takes hold in the first half of 1983. The recovery is likely to be modest by historical standards. Relatively high real (inflation-adjusted) interest rates, induced by the combination of anti-inflationary monetary policy and record federal budget deficits, will act to constrain the pace of economic recovery. Consequently, the Wisconsin unemployment rate is projected to exceed 11% during 1983, and 10% throughout 1984.

The signs of recovery nationally provide a glimmer of hope for the future. Housing starts in November were up over 60% from their recession trough. This is the first genuine evidence that the reduction in interest rates, which began in August, is beginning to have an effect. A continued decline in consumer loan rates should provide additional incentives for purchases of major items, such as autos and appliances. Improvement in the consumer sector is likely to be gradual, however, reflecting the dampening effect of fear of unemployment on consumer sentiment.

While the economic signals that affect consumer behavior are beginning to turn positive, the signs associated with business spending intentions point to continued weakness in other segments of the national economy. Inventory-to-sales ratios are still high and business capital spending plans for this year indicate a 5.4% reduction below last year in real dollar terms. Meanwhile, the international trade situation continues to deteriorate, with virtu-

ally every export market damaged by the worldwide recession and several major trading partners of the U.S. plagued by severe debt problems.

A significant upturn in employment in Wisconsin is projected to lag the national recovery by six to nine months. Total Wisconsin non-farm employment is expected to show a loss of approximately 120,000 jobs from 1979 to 1983. Most of this decline has already occurred.

Because of the relatively slow pace of the recovery, the U.S. unemployment rate is projected to average 10.7% in 1983, 9.6% in 1984, and 8.5% in 1985. The Wisconsin unemployment rate is expected to be roughly 1% over the U.S. rate throughout the forecast period.

The income generating mechanism in Wisconsin relies to a large degree on the ability of the durable manufacturing sector to translate new orders for durable equipment into rising employment and incomes, which then boost employment and income in other sectors. The badly deteriorated condition of the durable manufacturing sector in Wisconsin is evidenced by a projected 22% drop in jobs from 1979 to 1983. The job loss in this key sector from 1979 to 1983 contrasts with a far milder 8% decline during the 1974-75 recession. With export markets deteriorating and reductions in planned capital spending for plant and equipment in place for the near term, significant improvement in the Wisconsin economy is unlikely until 1984.

The condition of the Wisconsin economy will remain poor until new capital goods orders put Wisconsin back to work.

The major source of short-term uncertainty is the potential for continued weakness in consumer spending, since the recovery is not yet firmly in place. The major long-term risk is sharply higher interest rates, which could result from excessive money growth and federal budget deficits.

National Outlook

A combination of strong and weak spots in the economy should produce a moderate recovery for the next several years. Because of the large federal budget deficit and continued relatively tight monetary policy, real interest rates are expected to remain above historical levels, thereby holding back the expansion of interest-sensitive sectors. The growth rate of real GNP is projected at 1.6% for 1983. For 1984 and 1985, with the recovery fully under way, real growth should accelerate to over 4 percent.

Federal Budget and Fiscal Policy Assumptions

The federal budget deficit problem remains unchanged. A deficit of \$184 billion is projected for the current fiscal year, followed by \$179 billion in 1984 and \$163 billion in 1985. These large deficits are likely to create turmoil in financial markets, causing real interest rates to remain high.

The federal budget assumptions implicit in the current forecast combine the effects of recently enacted changes in the tax code, current spending and revenue trends, and anticipated future legislation. Economic Recovery Tax Act of 1981 (ERTA) and the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) together represent a tax policy of rate reductions im-

posed upon a smaller tax base. The tax increases assumed to result from TEFRA offset only about 25% of the reduced revenues resulting from ERTA.

In this environment of overall federal receipts, the continuation of current trends in federal expenditures cannot help but lead to record deficits. Following an increase of 7.3% in 1983, real defense purchases are assumed to rise 6.7% in 1982, 6.2% in 1984, and 5.7% in 1985. Real nondefense expenditures, after rising 2.3% in 1982, are expected to grow 3.4% in 1983 and 0.3% in both 1984 and 1985.

The recently approved five-cent per gallon increase in the federal gasoline tax, effective April 1, 1983, is estimated to provide additional revenues of \$4.1 billion in 1983, \$5.4 billion in 1984, and \$5.3 billion in 1985.

The forecast also assumes a number of shifts in social security policy. Aside from the recently legislated increases in maximum taxable earnings for social security, it assumes that the payroll tax hikes currently scheduled for 1985 and 1986 will be accelerated to 1984 and 1985. The forecast also assumes a postponement, beginning in 1983, of the Social Security cost-of-living adjustment from the third to the fourth quarter of each year, resulting in \$2.6 billion in savings in 1983.

Financial Markets and Monetary Policy Assumptions

The Federal Reserve has recently expanded bank reserves, the monetary base is advancing rapidly, and the various measures of money supply have been permitted to re-

main above target. Thus, the Federal Reserve has made the weak economy the focus of policy, at least for the time being. On the other hand, real interest rates remain near their peak, with the drop in nominal rates little different from the reduction in inflation. Generally, short term interest rates have come closer to normal real levels. It is expected that the Federal Reserve will make at least one or two more discount rate adjustments before mid-year, when the recovery should initiate a new credit cycle.

Because of the large stock of idle plant capacity and high unemployment, the next credit cycle should be mild. The prime rate, currently at 11%, should bottom out this quarter and then slowly rise to a peak of about 12.5% near the beginning of 1984.

Consumer Spending

While consumers' balance sheets are relatively liquid, lack of real income growth and weak consumer confidence make for a prediction of a weak recovery in non-auto retail sales. Real disposable income, which is currently floundering, will not get a push until the July federal tax cut. Consumers are currently reluctant to take on added debt because of the chilling job environment. If consumer confidence and the job market improve, consumer expenditures could be more robust. But because these developments appear unlikely, the outlook for real growth in consumer spending in 1983 is only 2.2%, followed by growth rates of 3.8% and 3.4% in the following years.

Autos

Because auto sales are interest-sensitive, they should benefit sub-

stantially from the rate reductions now working their way into consumer rates. With gasoline prices falling and the acceleration of repair and insurance costs somewhat diminished, the relative cost of operating a car is falling. A recovery in auto sales is quite likely, but probably will not be a major boom. Auto sales in 1983 are expected to reach the 8.7 million unit rate, 10.1% advance over last year. Additional gains are expected in 1984 and 1985, to the levels of 9.8 million units and 10.4 million units, respectively.

Housing

Four consecutive monthly declines in mortgage rates have pushed housing activity to its highest level in two and a half years. The conventional mortgage rate on new homes fell below 14% in November for the first time since February 1981, and total starts jumped 26.5% to 1.43 million unit rate. Combined with light consumer debt burdens, improvements in household financial asset positions (due mainly to the rising stock market), and only modest increases in home prices, the prospects for continued improvement in the housing market are now quite good.

Declines in mortgage interest rates over the next couple of years are the single most important factor boosting affordability and providing a solid foundation for home sales. Effective mortgage rates for new homes are projected to about 13% in 1983 and 1984.

Business Fixed Investment

The capital budgeting decisions for 1983 have been made in the worst economic environment in many

years. The publicly reported earnings of large corporations were down about 15% last year. In nominal terms, they are at about their 1978 level, while in real terms they have declined 31% from their 1979 peak. Industrial plant capacity is operating below 68% for the first time in the postwar period, and the real cost of capital continues to be very high. While, in the long-run, the Reagan investment tax incentives may give a significant boost to investment, these supply-side effects are currently totally offset by the recession, which has removed the incentive for capacity expansion.

Because of the slack that is projected to exist in 1985, the investment recovery is likely to be quite modest. Hence, the investment share of GNP will likely be relatively low for the next several years.

Prices

The rise of only 0.1% of the consumer price index in November is good news on the inflation front. The wage index also rose only 0.1% in November, to a level 5.6% above a year earlier. Wage moderation was particularly noticeable in the construction, retail and wholesale trade, and the transportation and public utility sectors.

The core inflation rate, which was over 9% two years ago, appears to be headed for about 6.4% in 1983. Unit labor and capital costs have moderated, and productivity should begin to be helpful after six years of stagnation. With OPEC prices flat or declining, food supplies more than ample, and the economy slack, the inflation rate is likely to continue its improvement next year. There is little danger of an early reacceleration of in-

flation in the next two years, and even beyond that the prospects are very good.

International

International markets offer few opportunities for American exports. The industrial countries are all trapped in the world recession, and the policies of most are paralyzed by large budget deficits.

The less developed countries have lost their ability to increase imports on credit. Indeed, in order to overcome their debt crises, they will have to trim back development programs and sharply limit imports.

Even the OPEC countries seem to be suffering from a financial squeeze because of reduced export volumes. The socialist bloc countries, which are more important to Western European than to American exporters, must also limit their imports in response to debt problems.

As a result of these worldwide conditions, exports are likely to decline further in 1983, following a drop last year. This is a sharp reversal from the high export growth of the 1970's. Imports, on the other hand, are likely to respond to the inventory turnaround and the growing economy, and therefore are likely to increase.

Wisconsin Forecast

If the U.S. economy follows the course described, the outlook for Wisconsin is little or no growth this year, with a sustained but weaker than normal recovery in 1984 and 1985.

Total nonfarm employment averaged 1.869 million last year, a decline

of 2.7% below the 1981 level. Further declines are expected in the first half of this year, to bring the average level of employment for all of 1983 down to the level of 1.840 million, a year-over-year decline of 1.5%. Employment growth in Wisconsin is expected to be 1.8% in 1984 and 3.4% in 1985. The delayed recovery in Wisconsin is illustrated by the nearly 1.5 percentage growth rate difference for employment in Wisconsin compared with the U.S. average in 1983, and the 1.4 percentage difference next year. Employment growth in Wisconsin should pull close to the U.S. rate in 1985.

The prospect of further retrenchment in total Wisconsin employment until mid-year, followed by weak growth until mid-1984, also suggests a further deterioration of the unemployment picture. The Wisconsin unemployment rate is expected to average approximately 10.5% for 1982, subject to revisions by the Bureau of Labor Statistics. The average rate is expected to be in the neighborhood of 11.5% in 1983 and is not likely to dip below 10% until 1985.

Higher than average unemployment rates, which Wisconsin has experienced throughout much of last year, suggest that consumer and business attitudes will remain unfavorable and may delay renewed consumer spending growth generated by a national economic recovery. Most of the delayed recovery in Wisconsin, however, can be attributed to the severely depressed state of the durable goods industry.

The devastating impact of the recession on Wisconsin's core industries is evidenced by the projected 29% or 40,000 job loss in the nonelectrical machinery industry from 1979 to 1983. The drop in au-

tos and other transportation equipment has been even worse - down by 33% or 14,000 jobs from 1979 to 1982.

Further national production declines are expected in the nonelectrical machinery industry, foundries, and some fabricated metal industries in response to cutbacks in planned plant and equipment investment and weak export markets. The Wisconsin mix of industries in these groups is concentrated in the areas which show the weakest demands for product growth. Manufacturing durable employment in Wisconsin this year is expected to average 282,100, a decline of 8.5% on top of an 11.8% decline last year. Only two durable goods sectors in Wisconsin are expected to show growth this year. Employment in the Lumber and Wood Products industry should increase by 1.9% in response to the turnaround in housing. Transportation equipment employment in Wisconsin is expected to grow by 2.6%, as auto inventories are diminished and the demand for new autos resumes. All other durable goods employment sectors are expected to show further year-over-year declines this year.

Nondurable goods industries in Wisconsin manufacturing, dominated by the food and paper industries, should follow the national employment pattern. Total nondurable employment in Wisconsin is projected to average 187,300 this year, down by 0.4% on a year-over-year basis. This follows a 2.6% decline last year. Employment growth in nondurables should be 1% in 1984 and 1.4% in 1985.

In the nonmanufacturing sectors of Wisconsin's economy, which accounts for about 73% of all nonfarm employment in the state, the job situation will be mixed this year. Jobs in construction, min-

WISCONSIN MANUFACTURING EMPLOYMENT FORECAST: INDUSTRY DETAIL
(Thousands of Workers, SA*)

	1982:3	1982:4	1982	1983:1	1983:2	1983:3	1983:4	1983	1984	1985
All Manufacturing % Change	492.7 -3.5	477.8 -11.6	496.6 -8.5	471.4 -5.3	468.6 -2.4	468.3 -0.2	469.4 0.9	469.4 -5.5	479.5 2.1	501.7 4.6
Durables % Change	303.3 -9.2	289.8 -16.6	308.5 -11.8	284.3 -7.4	281.6 -3.7	281.0 -0.8	281.7 0.9	282.1 -8.6	290.3 2.9	309.8 6.7
Lumber & Products % Change	18.9 2.0	19.2 5.1	18.9 -5.3	19.4 4.7	19.2 -2.8	19.1 -3.2	19.2 1.5	19.2 1.9	19.6 1.8	21.1 7.8
Stone, Clay & Glass % Change	7.2 -15.3	6.7 -21.6	7.2 -11.8	6.7 -0.3	6.9 6.6	7.0 7.2	7.0 3.7	6.9 -4.4	7.2 4.2	7.7 7.8
Primary Metals % Change	19.0 -31.8	17.2 -33.0	20.2 -20.9	15.8 -28.5	15.1 -16.6	14.8 -7.2	14.8 -0.3	15.2 -24.8	15.5 2.2	17.2 11.0
Fabricated Metals % Change	48.7 -13.7	46.9 -13.7	49.8 -12.1	46.0 -7.5	45.3 -5.7	45.0 -3.2	44.9 -0.4	45.3 -9.0	45.5 0.5	47.7 4.7
Nonferrous Metal Mach. % Change	101.5 -16.0	96.7 -17.5	104.8 -11.7	94.3 -9.4	94.5 0.7	95.3 3.3	95.6 1.3	94.9 -9.4	99.8 5.2	107.7 7.9
Electrical Mach. % Change	49.4 0.9	48.1 -10.3	49.6 -10.3	46.6 -11.6	45.2 -11.4	44.4 -7.1	44.1 -3.0	45.1 -9.1	46.2 2.4	50.6 9.6
Trans. Equipment % Change	29.3 26.6	27.1 -26.9	28.6 -14.3	28.5 22.7	29.1 8.7	29.5 4.9	30.0 7.2	29.3 2.6	30.0 2.4	30.2 0.8
Other Durables % Change	29.2 -9.3	27.9 -17.7	29.5 -9.5	26.8 -14.7	26.1 -9.4	26.0 -2.2	26.0 1.0	26.2 -11.2	26.5 1.1	27.6 4.0
Nondurables % Change	189.5 6.6	187.9 -3.2	188.1 -2.6	187.1 -1.8	187.0 -0.2	187.3 0.7	187.7 0.9	187.3 -0.4	189.2 1.0	191.9 1.4
Food & Products % Change	66.3 18.6	65.3 -5.7	64.7 -0.7	65.1 -1.2	65.3 1.4	65.8 2.9	66.1 2.1	65.6 1.4	66.6 1.6	67.4 1.1
Paper & Products % Change	46.5 0.0	46.5 -0.6	46.7 -3.0	46.2 -2.1	46.1 -1.2	46.1 -0.1	46.2 1.3	46.2 -1.1	46.7 1.1	47.5 1.8
Printing & Publ. % Change	31.9 0.8	31.8 -0.3	31.9 -1.0	31.6 -2.5	31.5 -1.6	31.4 -1.4	31.3 -0.9	31.5 -1.3	31.7 0.6	32.6 2.8
Chemicals & Prod. % Change	9.6 4.2	9.6 0.1	9.6 -3.8	9.6 -2.3	9.5 -3.1	9.4 -3.3	9.4 -2.8	9.5 -1.9	9.2 -2.3	9.1 -1.8
Rubber & Plastics % Change	16.3 2.1	16.1 -5.2	16.4 -6.3	16.1 -1.0	16.1 -0.7	16.1 0.2	16.1 1.8	16.1 -1.7	16.4 1.9	16.9 3.0
Other Nondurables % Change	18.8 0.1	18.6 -5.6	18.8 -6.5	18.5 -2.2	18.5 0.6	18.5 1.3	18.6 0.3	18.5 -1.7	18.6 0.4	18.4 -0.9

*SA: Seasonally Adjusted

WISCONSIN ECONOMIC FORECAST
Components of Personal Income (\$ billions)

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Wages and Salaries	28.580	29.276	31.549	34.667
Farm Income (before invnt. adj.)	0.275	0.348	0.390	0.405
Nonwage, Nonfarm Income	19.978	21.804	23.709	25.749
Total Personal Income*	48.833	51.428	55.648	60.821
% Change	3.9	5.3	8.2	9.3
Total Personal Income (1972 dollars)	23.694	23.626	24.228	25.058
% Change	-1.9	-0.3	2.5	3.4
Real Income Per Capita	4,911	4,855	4,932	5,056
% Change	-2.8	-1.1	1.6	2.5

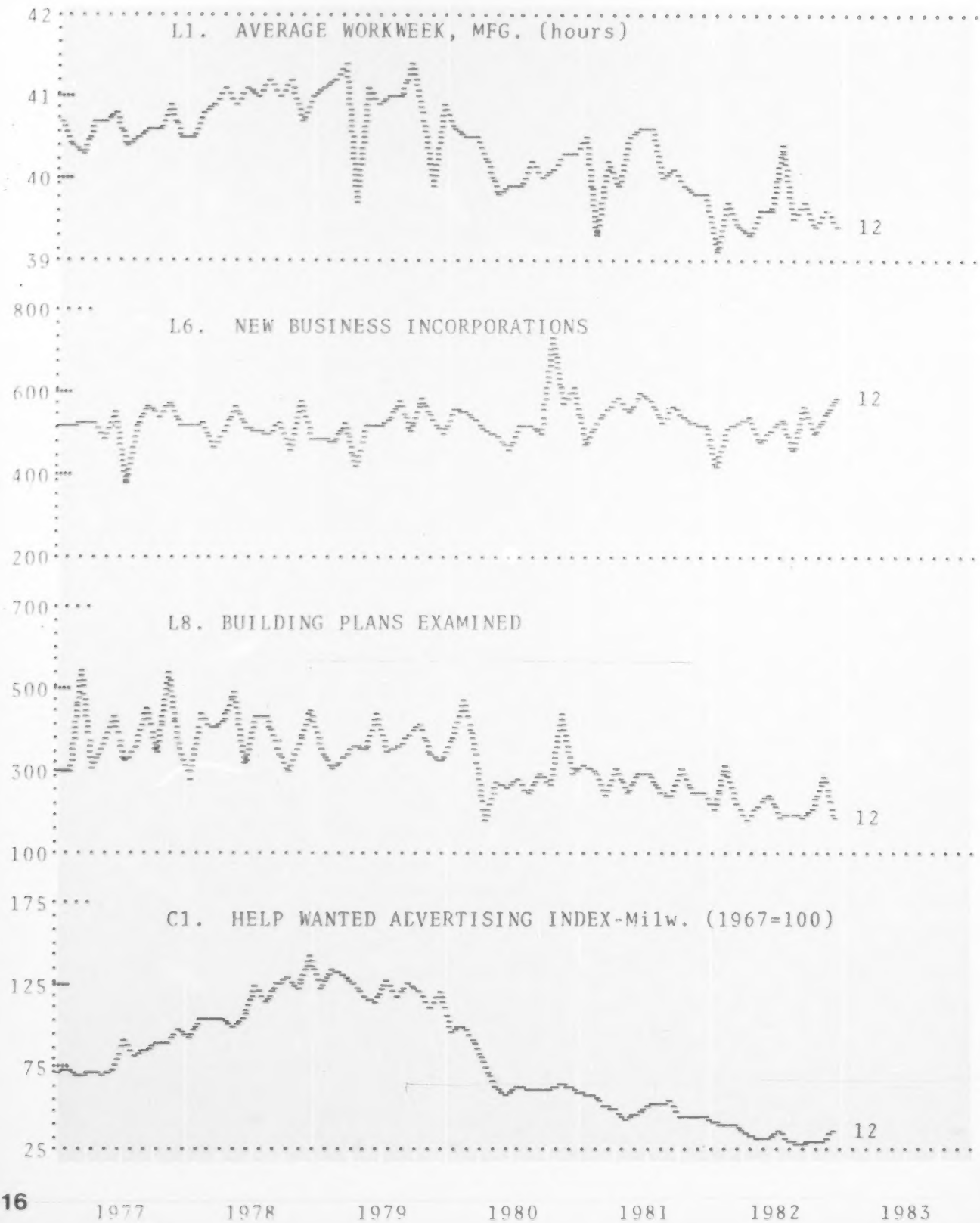
Employment (Thousands of Workers, Annual Average)

Mining	1.8	1.7	1.7	1.7
% Change	-15.0	-6.4	-1.4	2.3
Construction	52.4	52.0	55.5	62.5
% Change	-14.1	-0.8	6.7	12.5
Manufacturing-Durable	308.5	282.1	290.3	309.8
% Change	-11.8	-8.6	2.9	6.7
Manufacturing-Nondurable	188.1	187.3	189.2	191.9
% Change	-2.6	-0.4	1.0	1.4
Trans., Comm., Utilities	87.1	84.8	85.2	87.2
% Change	-3.7	-2.6	0.5	2.3
Finance, Insurance, Real Estate	97.1	97.9	100.5	103.6
% Change	1.3	0.8	2.6	3.1
Trade	429.6	426.7	434.2	448.6
% Change	-0.6	-0.7	1.8	3.3
Services	384.1	388.8	399.0	413.2
% Change	2.2	1.2	2.6	3.6
All Government (Civilian)	319.7	318.8	317.3	317.2
% Change	0.2	-0.3	-0.5	-0.0
Total Employment (Nonfarm)	1,868.6	1,840.2	1,872.8	1,935.6
% Change	-2.7	-1.5	1.8	3.4

*Adjusted to exclude inventory valuation in farm income.

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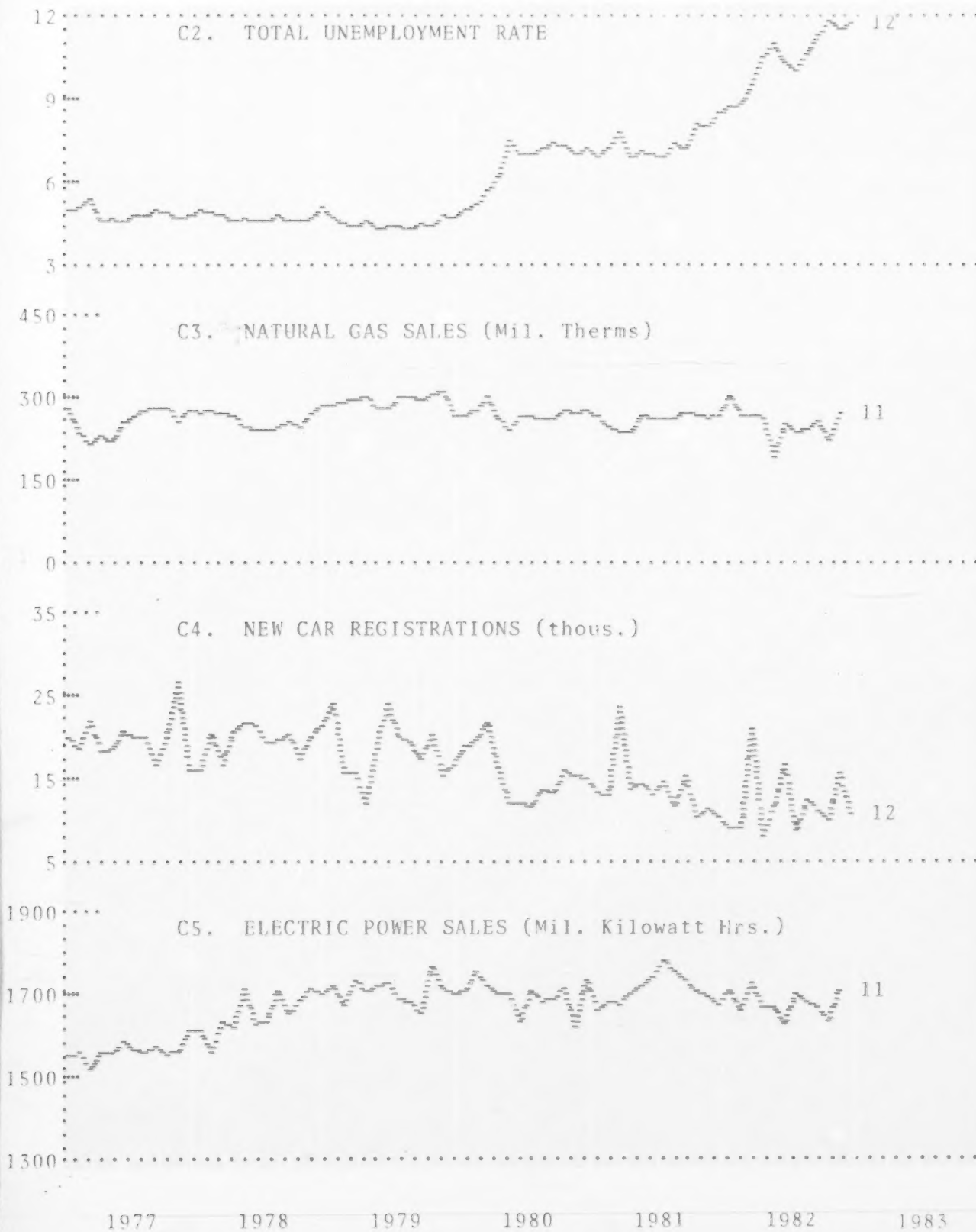
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(Continued from Page 13)

ing, trade, state and local government, and the transportation and utilities groups are expected to show further declines this year, while jobs in services, finance and federal government are expected to increase.

Construction employment is already beginning to show signs of a turnaround in response to the increase in housing permits and starts. But the growth this year, constrained by weakness in business construction activity, will not be sufficient to overcome the rapid decline in construction jobs last year so that year-over-year change in construction jobs is expected to be -0.8%. State and local governments will probably continue to

see work force reductions due to budget pressures. Employment in Retail and Wholesale Trade will also be pared somewhat this year, as disposable income growth continues to be weak. Finance, Insurance, and Real Estate jobs, and service sector jobs will continue to increase in Wisconsin due to long-term structural shifts in the economy, improved outlooks for financial and housing markets, and the aging population which places increased demands on the service sector. These industries, while showing positive growth rates for employment this year and in 1984 and 1985, are not likely to grow at the pace set in the late 70's because of the generally slow expansion of the economy.